



Reprinted
February 27, 2008

ENGROSSED HOUSE BILL No. 1293

DIGEST OF HB 1293 (Updated February 26, 2008 6:02 pm - DI 52)

Citations Affected: IC 6-1.1; IC 36-7; noncode.

Synopsis: Taxation. Provides, for purposes of the sales disclosure form process for real estate transactions, that: (1) a conveyance includes a transfer to a charity; (2) exceptions are eliminated from the definition of "conveyance document" for documents for certain compulsory transactions or the partition of land; (3) the sales disclosure form is considered to be accurate and complete if it includes information other than additional information required by the department of local government finance; (4) the \$10 filing fee is permanent, but does not apply to a transfer to a charity or if the transfer is under a conveyance document for certain compulsory transactions or the partition of land; (5) the fee revenue is split evenly between the county sales disclosure fund and the state assessment training fund; (6) a separate sales disclosure form is required for each parcel conveyed, except that only one form (with a single combined sales price) is required for the conveyance under a single conveyance document of two or more contiguous parcels in a single taxing district; (7) the sales disclosure
(Continued next page)

Effective: January 1, 2008 (retroactive); upon passage; July 1, 2008.

GiaQuinta, Goodin

(SENATE SPONSORS — BRAY, BRODEN, LANANE)

January 15, 2008, read first time and referred to Committee on Ways and Means.
January 24, 2008, amended, reported — Do Pass.
January 29, 2008, read second time, amended, ordered engrossed.
January 30, 2008, engrossed. Read third time, passed. Yeas 93, nays 0.

SENATE ACTION

February 5, 2008, read first time and referred to Committee on Tax and Fiscal Policy.
February 19, 2008, amended, reported favorably — Do Pass.
February 26, 2008, read second time, amended, ordered engrossed.

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form must include the key number of each parcel subject to the conveyance, whether the entirety of each parcel is being conveyed, the address if the parcel is improved, a legal description for each parcel, and an estimate of the value of any personal property included in the transfer; (8) one party to a transaction may sign a sales disclosure form on behalf of multiple parties; (9) the county recorder may record a conveyance document only if a sales disclosure form approved by the county assessor has been filed; (10) the criminal penalty for knowingly and intentionally falsifying or omitting information on a sales disclosure form is increased; (11) the penalty for filing an incomplete or inaccurate sales disclosure form applies only if the filer fails to correct a deficiency within 30 days of notice; and (12) a paper or electronic sales disclosure form may be used with respect to a homestead assessed as real property to also apply for the homestead credit and certain property tax deductions. Allows for filing of statements to claim the homestead credit and property tax deductions any time during a calendar year with respect to real property, or any time during the designated 12 month filing period with respect to mobile homes and manufactured homes not assessed as real property. Provides that a taxpayer that files for the homestead credit or a property tax deduction must be the owner or contract buyer only on the filing date, and not on the assessment date to which the credit or deduction applies. Provides that regardless of a change of ownership, the homestead credit or a property tax deduction applies automatically in a year if: (1) the credit or deduction applied in the immediately preceding year; and (2) the current title holder or contract buyer is eligible for the credit or deduction. Allows a county auditor to reduce the assessed value used to set tax rates to take into account deductions resulting from applications filed late in the year. Provides that changes in information reported by the county auditor to political subdivisions resulting from applications filed late in the year do not result in withholding of property tax replacement revenue by the state. Requires the department of local government finance to adopt rules to establish guidelines to enforce the application of the homestead credit only to an individual's principal place of residence. Provides that a municipality may adopt an ordinance establishing a property maintenance area (PMA) and provide grants to individuals that receive a certification from the municipality for property maintenance performed within the PMA. Allows certain taxpayers to claim interstate commerce exemptions for certain inventory for the 2004, 2005, and 2006 assessment dates by filing amended returns before March 1, 2008. Provides that the amended returns are considered to have been timely filed.

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Reprinted
February 27, 2008

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1293

A BILL FOR AN ACT to amend the Indiana Code concerning
taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-1.1-5.5-1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. As used in this
3 chapter, "conveyance" means any transfer of a real property interest for
4 valuable consideration. ~~except a transfer to a charity.~~
5 SECTION 2. IC 6-1.1-5.5-2 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. **(a)** As used in this
7 chapter, "conveyance document" means any **of the following**:
8 **(1) Any of the following that purports to transfer a real**
9 **property interest for valuable consideration:**
10 **(A)** A document.
11 **(B)** A deed.
12 **(C)** A contract of sale.
13 **(D)** An agreement
14 **(E)** A judgment.
15 **(F)** A lease that includes the fee simple estate and is for a
16 period in excess of ninety (90) years.
17 **(G)** A quitclaim deed serving as a source of title. ~~or other~~

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(H) Another document presented for recording.
that purports to transfer a real property interest for valuable
consideration.

(2) Documents for compulsory transactions as a result of
foreclosure or express threat of foreclosure, divorce, court
order, condemnation, or probate.

(3) Documents involving the partition of land between tenants
in common, joint tenants, or tenants by the entirety.

(b) The term does not include the following:

(1) Security interest documents such as mortgages and trust
deeds.

(2) Leases that are for a term of less than ninety (90) years.

~~(3) Documents for compulsory transactions as a result of
foreclosure or express threat of foreclosure, divorce, court order,
condemnation, or probate.~~

~~(4) Documents involving the partition of land between tenants in
common, joint tenants, or tenants by the entirety.~~

~~(5) (3)~~ Agreements and other documents for mergers,
consolidations, and incorporations involving solely nonlisted
stock.

~~(6) (4)~~ Quitclaim deeds not serving as a source of title.

SECTION 3. IC 6-1.1-5.5-3, AS AMENDED BY P.L.219-2007,
SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2008]: Sec. 3. (a) For purposes of this section, "party"
includes:

(1) a seller of property that is exempt under the seller's ownership;
or

(2) a purchaser of property that is exempt under the purchaser's
ownership;

from property taxes under IC 6-1.1-10.

(b) **Subject to subsections (g) and (h)**, before filing a conveyance
document with the county auditor under IC 6-1.1-5-4, all the parties to
the conveyance must do the following:

(1) Complete and sign a sales disclosure form as prescribed by the
department of local government finance under section 5 of this
chapter. All the parties may sign one (1) form, or if all the parties
do not agree on the information to be included on the completed
form, each party may sign and file a separate form. **For
conveyance transactions involving more than two (2) parties,
one (1) transferor and one (1) transferee signing the sales
disclosure form is sufficient.**

(2) Before filing a sales disclosure form with the county auditor,

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submit the sales disclosure form to the county assessor. The county assessor must review the accuracy and completeness of each sales disclosure form submitted immediately upon receipt of the form and, if the form is accurate and complete, stamp **or otherwise approve** the form as eligible for filing with the county auditor and return the form to the appropriate party for filing with the county auditor. If multiple forms are filed in a short period, the county assessor shall process the forms as quickly as possible. For purposes of this subdivision, a sales disclosure form is considered to be accurate and complete if:

(A) the county assessor does not have substantial evidence when the form is reviewed under this subdivision that information in the form is inaccurate; and

(B) ~~the form~~ **both of the following conditions are satisfied:**

(i) ~~substantially conforms to the sales disclosure form prescribed by the department of local government finance under section 5~~ **The form contains the information required by section 5(a)(1) through 5(a)(16) of this chapter as that section applies to the conveyance transaction, subject to the obligation of a party to furnish or correct that information in the manner required by and subject to the penalty provisions of section 12 of this chapter. The form may not be rejected for failure to contain information other than that required by section 5(a)(1) through 5(a)(16) of this chapter. and**

(ii) **The form** is submitted to the county assessor in a format usable to the county assessor.

(3) File the sales disclosure form with the county auditor.

(c) Except as provided in subsection (d), the auditor shall **review each sales disclosure form and process any homestead credit and deduction for which the form serves as an application under IC 6-1.1-12-44 and IC 6-1.1-20.9-3.5. The auditor shall** forward each sales disclosure form to the county assessor. **The county assessor shall verify the assessed valuation of the property for the assessment date to which the application applies and transmit that assessed valuation to the auditor.** The county assessor shall retain the forms for five (5) years. The county assessor shall forward the sales disclosure form data to the department of local government finance and the legislative services agency in an electronic format specified jointly by the department of local government finance and the legislative services agency. The county assessor shall forward a copy of the sales

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disclosure forms to the township assessors in the county. The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(d) In a county containing a consolidated city, the auditor **shall review each sales disclosure form and process any homestead credit and deduction for which the form serves as an application under IC 6-1.1-12-44 and IC 6-1.1-20.9-3.5. The auditor shall forward the sales disclosure form to the appropriate township assessor. The township assessor shall verify the assessed valuation of the property for the assessment date to which the application applies and transmit that assessed valuation to the auditor.** The township assessor shall forward the sales disclosure form to the department of local government finance and the legislative services agency in an electronic format specified jointly by the department of local government finance and the legislative services agency. The forms may be used by the county assessing officials, **the county auditor**, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(e) If a sales disclosure form includes the telephone number or Social Security number of a party, the telephone number or Social Security number is confidential.

(f) County assessing officials, **county auditors**, and other local officials may not establish procedures or requirements concerning sales disclosure forms that substantially differ from the procedures and requirements of this chapter.

(g) Except as provided in subsection (h), a separate sales disclosure form is required for each parcel conveyed, regardless of whether more than one (1) parcel is conveyed under a single conveyance document.

(h) Only one (1) sales disclosure form is required for the conveyance under a single conveyance document of two (2) or more contiguous parcels located entirely within a single taxing district.

SECTION 4. IC 6-1.1-5.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) **Except as provided in subsection (b),** a person filing a sales disclosure form under this chapter shall pay a fee of ~~five~~ **ten** dollars (~~\$5~~) (**\$10**) to the county auditor.

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(b) No fee is due and payable under subsection (a) if the conveyance to which the sales disclosure form filing applies is either or both of the following:

(1) To a charity.

(2) Under a conveyance document described in section 2(a)(2) or 2(a)(3) of this chapter.

~~(b) Eighty~~ (c) Fifty percent ~~(80%)~~ (50%) of the revenue collected under this section and section 12 of this chapter shall be deposited in the county sales disclosure fund established under section 4.5 of this chapter. ~~Twenty~~ Fifty percent ~~(20%)~~ (50%) of the revenue shall be transferred to the state treasurer for deposit in the state assessment training fund established under section 4.7 of this chapter.

SECTION 5. IC 6-1.1-5.5-5, AS AMENDED BY P.L.154-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) The department of local government finance shall prescribe a sales disclosure form for use under this chapter. The form prescribed by the department of local government finance must include at least the following information:

(1) The key number ~~(as defined in IC 6-1.1-1-8.5)~~ of the each parcel. ~~(as defined in IC 6-1.1-1-8.5)~~.

(2) **With respect to each parcel**, whether the entire parcel is being conveyed.

(3) The address of ~~the property~~ **each improved parcel**.

(4) The date of the execution of the form.

(5) The date the property was transferred.

(6) Whether the transfer includes an interest in land or improvements, or both.

(7) Whether the transfer includes personal property.

(8) An estimate of **the value of** any personal property included in the transfer.

(9) The name, address, and telephone number of:

(A) each transferor and transferee; and

(B) the person that prepared the form.

(10) The mailing address to which the property tax bills or other official correspondence should be sent.

(11) The ownership interest transferred.

(12) The classification of the property (as residential, commercial, industrial, agricultural, vacant land, or other).

(13) **Subject to subsection (c)**, the total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal

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and other services that are incidental to the conveyance.

(14) The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.

(15) Any family or business relationship existing between the transferor and the transferee.

(16) A legal description of each parcel subject to the conveyance.

(17) Whether the transferee is using the form to claim the following for property taxes first due and payable in a calendar year after 2008:

(A) One (1) or more deductions under IC 6-1.1-12-44.

(B) The homestead credit under IC 6-1.1-20.9-3.5.

(18) If the transferee uses the form to claim the homestead credit under IC 6-1.1-20.9-3.5, the name of any other county and township in which the transferee of residential real property owns or is buying residential real property.

~~(16)~~ **(19) Other information as required by the department of local government finance to carry out this chapter.**

If a form under this section includes the telephone number or the Social Security number of a party, the telephone number or the Social Security number is confidential.

(b) The instructions for completing the form described in subsection (a) must include the information described in IC 6-1.1-12-43(c)(1).

(c) If the conveyance includes more than one (1) parcel as described in section 3(h) of this chapter, the form:

(1) is not required to include the price referred to in subsection (a)(13) for each of the parcels subject to the conveyance; and

(2) may state a single combined price for all of those parcels.

SECTION 6. IC 6-1.1-5.5-6, AS AMENDED BY P.L.154-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) The county auditor may not accept a conveyance document if:

(1) the sales disclosure form signed by all the parties and attested as required under section 9 of this chapter is not included with the document; or

(2) the sales disclosure form does not contain the information described in ~~section 5(a)~~ **required by section 5(a)(1) through 5(a)(16)** of this chapter **as that section applies to the conveyance, subject to the obligation of a party to furnish or**

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correct the information in the manner required by and subject to the penalty provisions of section 12 of this chapter.

(b) The county recorder shall not record a conveyance document without evidence that the parties have filed **with the county auditor** a ~~completed~~ sales disclosure form ~~with the county auditor~~; **approved by the county assessor as eligible for filing under section 3(b)(2) of this chapter.**

SECTION 7. IC 6-1.1-5.5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) A person who knowingly and intentionally:

- (1) falsifies the value of transferred real property; or
- (2) omits or falsifies any information required to be provided in the sales disclosure form;

commits a ~~Class A misdemeanor~~; **Class C felony.**

(b) A public official who knowingly and intentionally accepts:

- (1) a sales disclosure document for filing that:
 - (A) falsifies the value of transferred real property; or
 - (B) omits or falsifies any information required to be provided in the sales disclosure form; or
- (2) a conveyance document for recording in violation of section 6 of this chapter;

commits a Class A infraction.

SECTION 8. IC 6-1.1-5.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12. (a) A party to a conveyance who:

- (1) ~~is required to file either:~~
 - (A) ~~files a sales disclosure form under that does not contain all of the information required by this chapter; or~~
 - (B) ~~files a sales disclosure form that contains inaccurate information;~~

and receives from the township assessor (in a county containing a consolidated city) or the county assessor (in any other county) written notice of the problems described in clause (A) or (B); and

- (2) ~~fails to file a correct sales disclosure form at the time and in the manner required by this chapter; that fully complies with all requirements of this chapter within thirty (30) days after the date of the notice under subdivision (1);~~

is subject to a penalty in the amount determined under subsection (b).

(b) The amount of the penalty under subsection (a) is the greater of:

- (1) one hundred dollars (\$100); or
- (2) twenty-five thousandths percent (0.025%) of the sale price of

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the real property transferred under the conveyance document.

(c) The township assessor in a county containing a consolidated city, or the county assessor in any other county, shall:

- (1) determine the penalty imposed under this section;
- (2) assess the penalty to the party to a conveyance; and
- (3) notify the party to the conveyance that the penalty is payable not later than thirty (30) days after notice of the assessment.

(d) The county auditor shall:

- (1) collect the penalty imposed under this section;
- (2) deposit penalty collections as required under section 4 of this chapter; and
- (3) notify the county prosecuting attorney of delinquent payments.

(e) The county prosecuting attorney shall initiate an action to recover a delinquent penalty under this section. In a successful action against a person for a delinquent penalty, the court shall award the county prosecuting attorney reasonable attorney's fees.

SECTION 9. IC 6-1.1-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:

Sec. 1. (a) Each year a person who is a resident of this state may receive a deduction from the assessed value of:

- (1) mortgaged real property, an installment loan financed mobile home that is not assessed as real property, or an installment loan financed manufactured home that is not assessed as real property that he owns; or
- (2) real property, a mobile home that is not assessed as real property, or a manufactured home that is not assessed as real property that he is buying under a contract, with the contract or a memorandum of the contract recorded in the county recorder's office, which provides that he is to pay the property taxes on the real property, mobile home, or manufactured home.

(b) Except as provided in section 40.5 of this chapter, the total amount of the deduction which the person may receive under this section for a particular year is:

- (1) the balance of the mortgage or contract indebtedness on the assessment date of that year;
- (2) one-half (1/2) of the assessed value of the real property, mobile home, or manufactured home; or
- (3) three thousand dollars (\$3,000);

whichever is least.

(c) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract which provides that the contract

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1 buyer is to pay the property taxes on the real property, mobile home, or
 2 manufactured home may not claim the deduction provided under this
 3 section with respect to that real property, mobile home, or
 4 manufactured home.

5 **(d) The person must:**

6 **(1) own the real property, mobile home, or manufactured**
 7 **home; or**

8 **(2) be buying the real property, mobile home, or**
 9 **manufactured home under contract;**

10 **on the date the statement is filed under section 2 of this chapter.**

11 SECTION 10. IC 6-1.1-12-2, AS AMENDED BY P.L.183-2007,
 12 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JANUARY 1, 2008] [(RETROACTIVE)]: Sec. 2. (a) Except as
 14 provided in section 17.8 of this chapter **and subject to section 45 of**
 15 **this chapter**, a person who desires to claim the deduction provided by
 16 section 1 of this chapter must file a statement in duplicate, on forms
 17 prescribed by the department of local government finance, with the
 18 auditor of the county in which the real property, mobile home not
 19 assessed as real property, or manufactured home not assessed as real
 20 property is located. With respect to real property the statement must be
 21 filed during the ~~twelve (12) months before June 11 of each~~ year for
 22 which the person wishes to obtain the deduction. With respect to a
 23 mobile home that is not assessed as real property or a manufactured
 24 home that is not assessed as real property, the statement must be filed
 25 during the twelve (12) months before March 31 of each year for which
 26 the individual wishes to obtain the deduction. The statement may be
 27 filed in person or by mail. If mailed, the mailing must be postmarked
 28 on or before the last day for filing. In addition to the statement required
 29 by this subsection, a contract buyer who desires to claim the deduction
 30 must submit a copy of the recorded contract or recorded memorandum
 31 of the contract, which must contain a legal description sufficient to
 32 meet the requirements of IC 6-1.1-5, with the first statement that the
 33 buyer files under this section with respect to a particular parcel of real
 34 property. Upon receipt of the statement and the recorded contract or
 35 recorded memorandum of the contract, the county auditor shall assign
 36 a separate description and identification number to the parcel of real
 37 property being sold under the contract.

38 (b) The statement referred to in subsection (a) must be verified
 39 under penalties for perjury, and the statement must contain the
 40 following information:

41 (1) The balance of the person's mortgage or contract indebtedness
 42 on the assessment date of the year for which the deduction is

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1 claimed.

2 (2) The assessed value of the real property, mobile home, or
3 manufactured home.

4 (3) The full name and complete residence address of the person
5 and of the mortgagee or contract seller.

6 (4) The name and residence of any assignee or bona fide owner or
7 holder of the mortgage or contract, if known, and if not known,
8 the person shall state that fact.

9 (5) The record number and page where the mortgage, contract, or
10 memorandum of the contract is recorded.

11 (6) A brief description of the real property, mobile home, or
12 manufactured home which is encumbered by the mortgage or sold
13 under the contract.

14 (7) If the person is not the sole legal or equitable owner of the real
15 property, mobile home, or manufactured home, the exact share of
16 the person's interest in it.

17 (8) The name of any other county in which the person has applied
18 for a deduction under this section and the amount of deduction
19 claimed in that application.

20 (c) The authority for signing a deduction application filed under this
21 section may not be delegated by the real property, mobile home, or
22 manufactured home owner or contract buyer to any person except upon
23 an executed power of attorney. The power of attorney may be contained
24 in the recorded mortgage, contract, or memorandum of the contract, or
25 in a separate instrument.

26 SECTION 11. IC 6-1.1-12-3 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
28 Sec. 3. An individual ~~who is a resident of this state on the assessment~~
29 ~~date of any year~~ may claim the deduction provided by section 1 of this
30 chapter for ~~that the assessment date in a year~~ in the manner prescribed
31 in section 4 of this chapter if during the filing period prescribed in
32 section 2 of this chapter ~~he that applies to the assessment date the~~
33 **individual** was:

34 (1) a member of the United States armed forces; and

35 (2) away from the county of his residence as a result of military
36 service.

37 SECTION 12. IC 6-1.1-12-4, AS AMENDED BY P.L.154-2006,
38 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 4. (a) An individual who
40 satisfies the requirements of section 3 of this chapter may file a claim
41 for a deduction, or deductions, provided by section 1 of this chapter
42 during the ~~twelve (12) months before June 11 of the~~ year following the

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year in which the individual is discharged from military service. The individual shall file the claim, on the forms prescribed for claiming a deduction under section 2 of this chapter, with the auditor of the county in which the real property is located. The claim shall specify the particular year, or years, for which the deduction is claimed. The individual shall attach to the claim an affidavit which states the facts concerning the individual's absence as a member of the United States armed forces.

(b) The county property tax assessment board of appeals shall examine the individual's claim and shall determine the amount of deduction, or deductions, the individual is entitled to and the year, or years, for which deductions are due. Based on the board's determination, the county auditor shall calculate the excess taxes paid by the individual and shall refund the excess to the individual from funds not otherwise appropriated. The county auditor shall issue, and the county treasurer shall pay, a warrant for the amount, if any, to which the individual is entitled.

SECTION 13. IC 6-1.1-12-9, AS AMENDED BY P.L.219-2007, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's real property, or mobile home or manufactured home which is not assessed as real property, if:

(1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:

(A) the individual and the individual's spouse; or

(B) the individual and all other individuals with whom:

(i) the individual shares ownership; or

(ii) the individual is purchasing the property under a contract;

as joint tenants or tenants in common;

for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars (\$25,000);

(3) the individual has owned the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; or the individual has been buying the real property, mobile home, or manufactured home under a contract that provides that the individual is to pay the property taxes on the real property, mobile home, or manufactured home for at least one (1)

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year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;

(4) the individual and any individuals covered by subdivision (2)(B) reside on the real property, mobile home, or manufactured home;

(5) the assessed value of the real property, mobile home, or manufactured home does not exceed one hundred eighty-two thousand four hundred thirty dollars (\$182,430); ~~and~~

(6) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 1, 37, and 38 of this chapter; **and**

(7) the person:

(1) owns the real property, mobile home, or manufactured home; or

(2) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 10.1 of this chapter is filed.

(b) Except as provided in subsection (h), in the case of real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the real property; or

(2) twelve thousand four hundred eighty dollars (\$12,480).

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the mobile home or manufactured home; or

(2) twelve thousand four hundred eighty dollars (\$12,480).

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the real property, mobile home, or manufactured home while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

(1) tenants by the entirety;

(2) joint tenants; or

(3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement is satisfied if any one (1) of the tenants is at least sixty-five (65) years

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1 of age.

2 (f) A surviving spouse is entitled to the deduction provided by this
3 section if:

4 (1) the surviving spouse is at least sixty (60) years of age on or
5 before December 31 of the calendar year preceding the year in
6 which the deduction is claimed;

7 (2) the surviving spouse's deceased husband or wife was at least
8 sixty-five (65) years of age at the time of a death;

9 (3) the surviving spouse has not remarried; and

10 (4) the surviving spouse satisfies the requirements prescribed in
11 subsection (a)(2) through ~~(a)(6)~~: **(a)(7)**.

12 (g) An individual who has sold real property to another person
13 under a contract that provides that the contract buyer is to pay the
14 property taxes on the real property may not claim the deduction
15 provided under this section against that real property.

16 (h) In the case of tenants covered by subsection (a)(2)(B), if all of
17 the tenants are not at least sixty-five (65) years of age, the deduction
18 allowed under this section shall be reduced by an amount equal to the
19 deduction multiplied by a fraction. The numerator of the fraction is the
20 number of tenants who are not at least sixty-five (65) years of age, and
21 the denominator is the total number of tenants.

22 SECTION 14. IC 6-1.1-12-10.1, AS AMENDED BY P.L.183-2007,
23 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 10.1. (a) Except as
25 provided in ~~section 7-8~~ **section 17.8** of this chapter **and subject to**
26 **section 45 of this chapter**, an individual who desires to claim the
27 deduction provided by section 9 of this chapter must file a sworn
28 statement, on forms prescribed by the department of local government
29 finance, with the auditor of the county in which the real property,
30 mobile home, or manufactured home is located. With respect to real
31 property, the statement must be filed during the ~~twelve (12) months~~
32 ~~before June 11 of each~~ year for which the individual wishes to obtain
33 the deduction. With respect to a mobile home that is not assessed as
34 real property or a manufactured home that is not assessed as real
35 property, the statement must be filed during the twelve (12) months
36 before March 31 of each year for which the individual wishes to obtain
37 the deduction. The statement may be filed in person or by mail. If
38 mailed, the mailing must be postmarked on or before the last day for
39 filing.

40 (b) The statement referred to in subsection (a) shall be in affidavit
41 form or require verification under penalties of perjury. The statement
42 must be filed in duplicate if the applicant owns, or is buying under a

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contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) the source and exact amount of gross income received by the individual and the individual's spouse during the preceding calendar year;
- (2) the description and assessed value of the real property, mobile home, or manufactured home;
- (3) the individual's full name and complete residence address;
- (4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on contract; and
- (5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

SECTION 15. IC 6-1.1-12-11, AS AMENDED BY P.L.99-2007, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 11. (a) Except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual owns, or that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

- (1) the individual is blind or the individual has a disability;
- (2) the real property, mobile home, or manufactured home is principally used and occupied by the individual as the individual's residence; ~~and~~
- (3) the individual's taxable gross income for the calendar year preceding the year in which the deduction is claimed did not exceed seventeen thousand dollars (\$17,000); **and**

(4) the individual:

- (1) owns the real property, mobile home, or manufactured**

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1 **home; or**
 2 **(2) is buying the real property, mobile home, or**
 3 **manufactured home under contract;**
 4 **on the date the statement required by section 12 of this**
 5 **chapter is filed.**

6 (b) For purposes of this section, taxable gross income does not
 7 include income which is not taxed under the federal income tax laws.

8 (c) For purposes of this section, "blind" has the same meaning as the
 9 definition contained in IC 12-7-2-21(1).

10 (d) For purposes of this section, "individual with a disability" means
 11 a person unable to engage in any substantial gainful activity by reason
 12 of a medically determinable physical or mental impairment which:

13 (1) can be expected to result in death; or

14 (2) has lasted or can be expected to last for a continuous period of
 15 not less than twelve (12) months.

16 (e) An individual with a disability filing a claim under this section
 17 shall submit proof of disability in such form and manner as the
 18 department shall by rule prescribe. Proof that a claimant is eligible to
 19 receive disability benefits under the federal Social Security Act (42
 20 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of
 21 this section.

22 (f) An individual with a disability not covered under the federal
 23 Social Security Act shall be examined by a physician and the
 24 individual's status as an individual with a disability determined by
 25 using the same standards as used by the Social Security Administration.
 26 The costs of this examination shall be borne by the claimant.

27 (g) An individual who has sold real property, a mobile home not
 28 assessed as real property, or a manufactured home not assessed as real
 29 property to another person under a contract that provides that the
 30 contract buyer is to pay the property taxes on the real property, mobile
 31 home, or manufactured home may not claim the deduction provided
 32 under this section against that real property, mobile home, or
 33 manufactured home.

34 SECTION 16. IC 6-1.1-12-12, AS AMENDED BY P.L.183-2007,
 35 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 12. (a) Except as
 37 provided in section 17.8 of this chapter **and subject to section 45 of**
 38 **this chapter**, a person who desires to claim the deduction provided in
 39 section 11 of this chapter must file an application, on forms prescribed
 40 by the department of local government finance, with the auditor of the
 41 county in which the real property, mobile home not assessed as real
 42 property, or manufactured home not assessed as real property is

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located. With respect to real property, the application must be filed during the ~~twelve (12) months before June 11 of each~~ year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

(1) the records of a county office of family and children, the division of family resources, or the division of disability and rehabilitative services; or

(2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home.

SECTION 17. IC 6-1.1-12-13, AS AMENDED BY P.L.99-2007, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 13. (a) Except as provided in section 40.5 of this chapter, an individual may have twenty-four thousand nine hundred sixty dollars (\$24,960) deducted from the assessed value of the taxable tangible property that the individual owns, or real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office and if:

(1) the individual served in the military or naval forces of the United States during any of its wars;

(2) the individual received an honorable discharge;

(3) the individual has a disability with a service connected disability of ten percent (10%) or more; ~~and~~

(4) the individual's disability is evidenced by:

(A) a pension certificate, an award of compensation, or a disability compensation check issued by the United States

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Department of Veterans Affairs; or

(B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; **and**

(5) the individual:

(1) owns the real property, mobile home, or manufactured home; or

(2) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 15 of this chapter is filed.

(b) The surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) One who receives the deduction provided by this section may not receive the deduction provided by section 16 of this chapter. However, the individual may receive any other property tax deduction which the individual is entitled to by law.

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 18. IC 6-1.1-12-14, AS AMENDED BY P.L.219-2007, SECTION 26, AND AS AMENDED BY P.L.99-2007, SECTION 24, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of the tangible property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office) if:

(1) the individual served in the military or naval forces of the

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1 United States for at least ninety (90) days;
 2 (2) the individual received an honorable discharge;
 3 (3) the individual either:
 4 (A) ~~is totally disabled;~~ *has a total disability*; or
 5 (B) is at least sixty-two (62) years old and has a disability of at
 6 least ten percent (10%); ~~and~~
 7 (4) the individual's disability is evidenced by:
 8 (A) a pension certificate or an award of compensation issued
 9 by the United States Department of Veterans Affairs; or
 10 (B) a certificate of eligibility issued to the individual by the
 11 Indiana department of veterans' affairs after the Indiana
 12 department of veterans' affairs has determined that the
 13 individual's disability qualifies the individual to receive a
 14 deduction under this section; **and**
 15 **(5) the individual:**
 16 **(1) owns the real property, mobile home, or manufactured**
 17 **home; or**
 18 **(2) is buying the real property, mobile home, or**
 19 **manufactured home under contract;**
 20 **on the date the statement required by section 15 of this**
 21 **chapter is filed.**
 22 (b) Except as provided in subsection (c), the surviving spouse of an
 23 individual may receive the deduction provided by this section if the
 24 individual would qualify for the deduction if the individual were alive.
 25 (c) No one is entitled to the deduction provided by this section if the
 26 assessed value of the individual's tangible property, as shown by the tax
 27 duplicate, exceeds one hundred ~~thirteen~~ *forty-three* thousand *one*
 28 *hundred sixty* dollars ~~(\$113,000)~~. *(\$143,160)*.
 29 (d) An individual who has sold real property, a mobile home not
 30 assessed as real property, or a manufactured home not assessed as real
 31 property to another person under a contract that provides that the
 32 contract buyer is to pay the property taxes on the real property, mobile
 33 home, or manufactured home may not claim the deduction provided
 34 under this section against that real property, mobile home, or
 35 manufactured home.
 36 SECTION 19. IC 6-1.1-12-15, AS AMENDED BY P.L.183-2007,
 37 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 15. (a) Except as
 39 provided in section 17.8 of this chapter **and subject to section 45 of**
 40 **this chapter**, an individual who desires to claim the deduction
 41 provided by section 13 or section 14 of this chapter must file a
 42 statement with the auditor of the county in which the individual resides.

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With respect to real property, the statement must be filed during the ~~twelve (12) months before June 11 of each~~ year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

(1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;

(2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or

(3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

SECTION 20. IC 6-1.1-12-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
 Sec. 16. (a) Except as provided in section 40.5 of this chapter, a surviving spouse may have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed value of his or her tangible property, or real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the surviving spouse is buying under a contract that provides that he is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

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(1) the deceased spouse served in the military or naval forces of the United States before November 12, 1918; ~~and~~

(2) the deceased spouse received an honorable discharge; **and**

(3) the surviving spouse:

(1) owns the real property, mobile home, or manufactured home; or

(2) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 17 of this chapter is filed.

(b) A surviving spouse who receives the deduction provided by this section may not receive the deduction provided by section 13 of this chapter. However, he or she may receive any other deduction which he or she is entitled to by law.

(c) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 21. IC 6-1.1-12-17, AS AMENDED BY P.L.183-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 17. Except as provided in section 17.8 of this chapter **and subject to section 45 of this chapter**, a surviving spouse who desires to claim the deduction provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be filed during the ~~twelve (12) months before June 11 of each~~ year for which the surviving spouse wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

(1) a sworn statement that the surviving spouse is entitled to the deduction; and

(2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that the

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individual is to pay property taxes on the real property.

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

SECTION 22. IC 6-1.1-12-17.4, AS AMENDED BY P.L.219-2007, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 17.4. (a) Except as provided in section 40.5 of this chapter, a World War I veteran who is a resident of Indiana is entitled to have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed valuation of the real property (including a mobile home that is assessed as real property), mobile home that is not assessed as real property, or manufactured home that is not assessed as real property the veteran owns or is buying under a contract that requires the veteran to pay property taxes on the real property, if the contract or a memorandum of the contract is recorded in the county recorder's office, if:

(1) the real property, mobile home, or manufactured home is the veteran's principal residence;

(2) the assessed valuation of the real property, mobile home, or manufactured home does not exceed two hundred six thousand five hundred dollars (\$206,500); ~~and~~

(3) the veteran owns the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; **and**

(4) the veteran:

(1) owns the real property, mobile home, or manufactured home; or

(2) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 17.5 of this chapter is filed.

(b) An individual may not be denied the deduction provided by this section because the individual is absent from the individual's principal residence while in a nursing home or hospital.

(c) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by a husband and wife as tenants by the entirety, only one (1) deduction may be allowed under this section. However, the deduction provided in this section applies if either spouse satisfies the requirements prescribed in subsection (a).

(d) An individual who has sold real property, a mobile home not

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1 assessed as real property, or a manufactured home not assessed as real
 2 property to another person under a contract that provides that the
 3 contract buyer is to pay the property taxes on the real property, mobile
 4 home, or manufactured home may not claim the deduction provided
 5 under this section with respect to that real property, mobile home, or
 6 manufactured home.

7 SECTION 23. IC 6-1.1-12-17.5, AS AMENDED BY P.L.183-2007,
 8 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 17.5. (a) Except as
 10 provided in section 17.8 of this chapter **and subject to section 45 of**
 11 **this chapter**, a veteran who desires to claim the deduction provided in
 12 section 17.4 of this chapter must file a sworn statement, on forms
 13 prescribed by the department of local government finance, with the
 14 auditor of the county in which the real property, mobile home, or
 15 manufactured home is assessed. With respect to real property, the
 16 veteran must file the statement during the ~~twelve (12) months before~~
 17 ~~June 11 of each~~ year for which the veteran wishes to obtain the
 18 deduction. With respect to a mobile home that is not assessed as real
 19 property or a manufactured home that is not assessed as real property,
 20 the statement must be filed during the twelve (12) months before
 21 March 31 of each year for which the individual wishes to obtain the
 22 deduction. The statement may be filed in person or by mail. If mailed,
 23 the mailing must be postmarked on or before the last day for filing.

24 (b) The statement required under this section shall be in affidavit
 25 form or require verification under penalties of perjury. The statement
 26 shall be filed in duplicate if the veteran has, or is buying under a
 27 contract, real property in more than one (1) county or in more than one
 28 (1) taxing district in the same county. The statement shall contain:

- 29 (1) a description and the assessed value of the real property,
 30 mobile home, or manufactured home;
- 31 (2) the veteran's full name and complete residence address;
- 32 (3) the record number and page where the contract or
 33 memorandum of the contract is recorded, if the individual is
 34 buying the real property, mobile home, or manufactured home on
 35 a contract that provides that the individual is to pay property taxes
 36 on the real property, mobile home, or manufactured home; and
- 37 (4) any additional information which the department of local
 38 government finance may require.

39 SECTION 24. IC 6-1.1-12-17.8, AS AMENDED BY P.L.95-2007,
 40 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 17.8. (a) An individual
 42 who receives a deduction provided under section 1, 9, 11, 13, 14, 16,

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or 17.4 of this chapter in a particular year and who remains eligible for the deduction in the following year is not required to file a statement to apply for the deduction in the following year.

(b) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who becomes ineligible for the deduction in the following year shall notify the auditor of the county in which the real property, mobile home, or manufactured home for which the individual claims the deduction is located of the individual's ineligibility ~~before June 11 of~~ in the year in which the individual becomes ineligible.

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter to each individual who received the deduction in the preceding year unless the auditor determines that the individual is no longer eligible for the deduction.

(d) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the deduction in the following year is not required to file a statement to reapply for the deduction following the removal of the joint owner if:

- (1) the individual is the sole owner of the property following the death of the individual's spouse;
- (2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or
- (3) the individual is awarded sole ownership of the property in a divorce decree.

(e) A trust entitled to a deduction under section 9, 11, 13, 14, 16, or 17.4 of this chapter for real property owned by the trust and occupied by an individual in accordance with section 17.9 of this chapter is not required to file a statement to apply for the deduction, if:

- (1) the individual who occupies the real property receives a deduction provided under section 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year; and
- (2) the trust remains eligible for the deduction in the following year.

SECTION 25. IC 6-1.1-12-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
Sec. 18. (a) If the assessed value of residential real property described in subsection (d) is increased because it has been rehabilitated, the owner may have deducted from the assessed value of the property an amount not to exceed the lesser of:

- (1) the total increase in assessed value resulting from the

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rehabilitation; or

(2) eighteen thousand seven hundred twenty dollars (\$18,720) per rehabilitated dwelling unit.

The owner is entitled to this deduction annually for a five (5) year period.

(b) For purposes of this section, the term "rehabilitation" means significant repairs, replacements, or improvements to an existing structure which are intended to increase the livability, utility, safety, or value of the property under rules adopted by the department of local government finance.

(c) For the purposes of this section, the term "owner" or "property owner" includes any person who has the legal obligation, or has otherwise assumed the obligation, to pay the real property taxes on the rehabilitated property.

(d) The deduction provided by this section applies only:

(1) for the rehabilitation of residential real property which is located within this state and which is described in one (1) of the following classifications:

~~(1)~~ (A) A single family dwelling if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed thirty-seven thousand four hundred forty dollars (\$37,440).

~~(2)~~ (B) A two (2) family dwelling if before rehabilitation the assessed value (excluding exemptions or deductions) of the improvements does not exceed forty-nine thousand nine hundred twenty dollars (\$49,920). ~~and~~

~~(3)~~ (C) A dwelling with more than two (2) family units if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed eighteen thousand seven hundred twenty dollars (\$18,720) per dwelling unit; **and**

(2) if the property owner:

(A) owns the residential real property; or

(B) is buying the residential real property under contract; on the assessment date of the year in which an application must be filed under section 20 of this chapter.

SECTION 26. IC 6-1.1-12-20, AS AMENDED BY P.L.154-2006, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 20. (a) A property owner who desires to obtain the deduction provided by section 18 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the

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1 county in which the rehabilitated property is located. The application
 2 may be filed in person or by mail. If mailed, the mailing must be
 3 postmarked on or before the last day for filing. Except as provided in
 4 subsection (b) **and subject to section 45 of this chapter**, the
 5 application must be filed ~~before June 11~~ **of in** the year in which the
 6 addition to assessed value is made.

7 (b) If notice of the addition to assessed value for any year is not
 8 given to the property owner before ~~May 11~~ **December 1** of that year,
 9 the application required by this section may be filed not later than thirty
 10 (30) days after the date such a notice is mailed to the property owner
 11 at the address shown on the records of the township assessor.

12 (c) The application required by this section shall contain the
 13 following information:

- 14 (1) a description of the property for which a deduction is claimed
- 15 in sufficient detail to afford identification;
- 16 (2) statements of the ownership of the property;
- 17 (3) the assessed value of the improvements on the property before
- 18 rehabilitation;
- 19 (4) the number of dwelling units on the property;
- 20 (5) the number of dwelling units rehabilitated;
- 21 (6) the increase in assessed value resulting from the
- 22 rehabilitation; and
- 23 (7) the amount of deduction claimed.

24 (d) A deduction application filed under this section is applicable for
 25 the year in which the increase in assessed value occurs and for the
 26 immediately following four (4) years without any additional application
 27 being filed.

28 (e) On verification of an application by the assessor of the township
 29 in which the property is located, the county auditor shall make the
 30 deduction.

31 SECTION 27. IC 6-1.1-12-22 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
 33 Sec. 22. (a) If the assessed value of property is increased because it has
 34 been rehabilitated and the owner has paid at least ten thousand dollars
 35 (\$10,000) for the rehabilitation, the owner is entitled to have deducted
 36 from the assessed value of the property an amount equal to fifty percent
 37 (50%) of the increase in assessed value resulting from the
 38 rehabilitation. The owner is entitled to this deduction annually for a
 39 five (5) year period. However, the maximum deduction which a
 40 property owner may receive under this section for a particular year is:

- 41 (1) one hundred twenty-four thousand eight hundred dollars
- 42 (\$124,800) for a single family dwelling unit; or

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(2) three hundred thousand dollars (\$300,000) for any other type of property.

(b) For purposes of this section, the term "property" means a building or structure which was erected at least fifty (50) years before the date of application for the deduction provided by this section. The term "property" does not include land.

(c) For purposes of this section, the term "rehabilitation" means significant repairs, replacements, or improvements to an existing structure that are intended to increase the livability, utility, safety, or value of the property under rules adopted by the department of local government finance.

(d) The deduction provided by this section applies only if the property owner:

(1) owns the property; or

(2) is buying the property under contract;

on the assessment date of the year in which an application must be filed under section 24 of this chapter.

SECTION 28. IC 6-1.1-12-24, AS AMENDED BY P.L.154-2006, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 24. (a) A property owner who desires to obtain the deduction provided by section 22 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b) **and subject to section 45 of this chapter**, the application must be filed ~~before June 11 of~~ in the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation for any year is not given to the property owner before ~~May 11~~ **December 31** of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor.

(c) The application required by this section shall contain the following information:

(1) the name of the property owner;

(2) a description of the property for which a deduction is claimed in sufficient detail to afford identification;

(3) the assessed value of the improvements on the property before rehabilitation;

(4) the increase in the assessed value of improvements resulting

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from the rehabilitation; and

(5) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the addition to assessed value is made and in the immediate following four (4) years without any additional application being filed.

(e) On verification of the correctness of an application by the assessor of the township in which the property is located, the county auditor shall make the deduction.

SECTION 29. IC 6-1.1-12-27.1, AS AMENDED BY P.L.183-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 27.1. Except as provided in ~~section 36~~ **sections 36 and 44** of this chapter **and subject to section 45 of this chapter**, a person who desires to claim the deduction provided by section 26 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the ~~twelve (12) months before June 11 of each~~ year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. **The person must:**

(1) own the real property, mobile home, or manufactured home; or

(2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 30. IC 6-1.1-12-30, AS AMENDED BY P.L.183-2007, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 30. Except as provided in section 36 of this chapter **and subject to section 45 of this chapter**, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is

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subject to assessment. With respect to real property, the person must file the statement during the ~~twelve (12) months before June 11~~ of each year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. **The person must:**

(1) own the real property, mobile home, or manufactured home; or

(2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 31. IC 6-1.1-12-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 31. (a) For purposes of this section, "coal conversion system" means tangible property directly used to convert coal into a gaseous or liquid fuel or char. This definition includes coal liquification, gasification, pyrolysis, and a fluid bed combustion system designed for pollution control.

(b) For each calendar year which begins after December 31, 1979, and before January 1, 1988, the owner of a coal conversion system which is used to process coal is entitled to a deduction from the assessed value of the system. The amount of the deduction for a particular calendar year equals the product of (1) ninety-five percent (95%) of the assessed value of the system, multiplied by (2) a fraction. The numerator of the fraction is the amount of Indiana coal converted by the system during the immediately preceding calendar year and the denominator of the fraction is the total amount of coal converted by the system during the immediately preceding calendar year.

(c) The deduction provided by this section applies only if the property owner:

(1) owns the property; or

(2) is buying the property under contract;

on the assessment date for which the deduction applies.

SECTION 32. IC 6-1.1-12-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 33. (a) For purposes of this section "hydroelectric power device" means a device which is installed after December 31, 1981, and is designed to utilize the kinetic power of moving water to provide

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mechanical energy or to produce electricity.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a hydroelectric power device is annually entitled to a property tax deduction. The amount of the deduction equals the remainder of: (1) the assessed value of the real property or mobile home with the hydroelectric power device; minus (2) the assessed value of the real property or mobile home without the hydroelectric power device.

(c) The deduction provided by this section applies only if the property owner:

(1) owns the real property or mobile home; or

(2) is buying the real property or mobile home under contract;

on the date the statement is filed under section 35.5 of this chapter.

SECTION 33. IC 6-1.1-12-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:

Sec. 34. (a) For purposes of this section, "geothermal energy heating or cooling device" means a device that is installed after December 31, 1981, and is designed to utilize the natural heat from the earth to provide hot water, produce electricity, or generate heating or cooling.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a geothermal energy heating or cooling device is annually entitled to a property tax deduction. The amount of the deduction equals the remainder of: (1) the assessed value of the real property or mobile home with the geothermal heating or cooling device; minus (2) the assessed value of the real property or mobile home without the geothermal heating or cooling device.

(c) The deduction provided by this section applies only if the property owner:

(1) owns the real property or mobile home; or

(2) is buying the real property or mobile home under contract;

on the date the statement is filed under section 35.5 of this chapter.

SECTION 34. IC 6-1.1-12-34.5, AS ADDED BY P.L.214-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 34.5. (a) As used in this section, "coal combustion product" has the meaning set forth in IC 6-1.1-44-1.

(b) As used in this section, "qualified building" means a building designed and constructed to systematically use qualified materials throughout the building.

(c) For purposes of this section, building materials are "qualified

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materials" if at least sixty percent (60%) of the materials' dry weight consists of coal combustion products.

(d) The owner of a qualified building, as determined by the center for coal technology research, is entitled to a property tax deduction for not more than three (3) years. The amount of the deduction equals the product of:

(1) the assessed value of the qualified building; multiplied by

(2) five percent (5%).

(e) The deduction provided by this section applies only if the building owner:

(1) owns the building; or

(2) is buying the building under contract;

on the assessment date for which the deduction applies.

SECTION 35. IC 6-1.1-12-35.5, AS AMENDED BY P.L.183-2007, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 35.5. (a) Except as provided in section 36 **or 44** of this chapter **and subject to section 45 of this chapter**, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must file the statement during the ~~twelve (12)~~ **months before June 11 of the assessment year for which the person wishes to obtain the deduction.** The person must file the statement in each year for which the person desires to obtain the deduction. With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, the county auditor shall allow the deduction.

(b) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 31, 33, or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system

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or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. If the department of environmental management receives an application for certification, ~~before May 11 of the assessment year~~, the department shall determine whether the system or device qualifies for a deduction. ~~before June 11 of the assessment year~~. If the department fails to make a determination under this subsection before ~~June 11 of the assessment~~ **December 31 of the year in which the application is received**, the system or device is considered certified.

(d) A denial of a deduction claimed under section 31, 33, 34, or 34.5 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor county property tax assessment board of appeals, or department of local government finance.

(e) A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) during the ~~twelve (12) months before June 11 of that year~~. ~~A person who obtains a filing extension under IC 6-1.1-3-7(b) for an assessment year must file the application between March 1 and the extended due date for that year.~~ **in which the personal property return is filed.**

(f) This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 21-47-4-1, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter: ~~before May 11 of an assessment year~~:

- (1) the center shall determine whether the building qualifies for a deduction; ~~before June 11 of the assessment year~~; and
- (2) if the center fails to make a determination before ~~June 11~~ **December 31** of the ~~assessment~~ **year in which the application is received**, the building is considered certified.

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SECTION 36. IC 6-1.1-12-38, AS AMENDED BY P.L.154-2006, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 38. (a) A person is entitled to a deduction from the assessed value of the person's property in an amount equal to the difference between:

(1) the assessed value of the person's property, including the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11; minus

(2) the assessed value of the person's property, excluding the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11.

(b) To obtain the deduction under this section, a person must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is subject to assessment. In addition to the certified statement, the person must file a certification by the state chemist listing the improvements that were made to comply with the fertilizer storage rules adopted under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11. **Subject to section 45 of this chapter**, the statement and certification must be filed ~~before June 11 of~~ **during** the year preceding the year the deduction will first be applied. Upon the verification of the statement and certification by the assessor of the township in which the property is subject to assessment, the county auditor shall allow the deduction.

(c) The deduction provided by this section applies only if the person:

(1) owns the property; or

(2) is buying the property under contract;

on the assessment date for which the deduction applies.

SECTION 37. IC 6-1.1-12-44 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 44. (a) A sales disclosure form under IC 6-1.1-5.5:**

(1) that is submitted:

(A) as a paper form; or

(B) electronically;

on or before December 31 of a calendar year to the county assessor by or on behalf of the purchaser of a homestead (as

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defined in IC 6-1.1-20.9-1) assessed as real property;

(2) that is accurate and complete;

(3) that is approved by the county assessor as eligible for filing with the county auditor; and

(4) that is filed:

(A) as a paper form; or

(B) electronically;

with the county auditor by or on behalf of the purchaser; constitutes an application for the deductions provided by sections 26, 29, 33, and 34 of this chapter with respect to property taxes first due and payable in the calendar year that immediately succeeds the calendar year referred to in subdivision (1).

(b) Except as provided in subsection (c), if:

(1) the county auditor receives in a calendar year a sales disclosure form that meets the requirements of subsection (a); and

(2) the homestead for which the sales disclosure form is submitted is otherwise eligible for a deduction referred to in subsection (a);

the county auditor shall apply the deduction to the homestead for property taxes first due and payable in the calendar year for which the homestead qualifies under subsection (a) and in any later year in which the homestead remains eligible for the deduction.

(c) Subsection (b) does not apply if the county auditor, after receiving a sales disclosure form from or on behalf of a purchaser under subsection (a)(4), determines that the homestead is ineligible for the deduction.

SECTION 38. IC 6-1.1-12-45 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 45. (a)** Subject to subsections (b) and (c), a deduction under this chapter applies for an assessment date and for the property taxes due and payable based on the assessment for that assessment date, regardless of whether with respect to the real property or mobile home or manufactured home not assessed as real property:

(1) the title is conveyed one (1) or more times; or

(2) one (1) or more contracts to purchase are entered into; after that assessment date and on or before the next succeeding assessment date.

(b) Subsection (a) applies:

(1) only if the title holder or the contract buyer on that next succeeding assessment date is eligible for the deduction for

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that next succeeding assessment date; and

(2) regardless of whether:

(A) one (1) or more grantees of title under subsection (a)(1); or

(B) one (1) or more contract purchasers under subsection (a)(2);

files a statement under this chapter to claim the deduction.

(c) A deduction applies under subsection (a) for only one (1) year. The requirements of this chapter for filing a statement to apply for a deduction under this chapter apply to subsequent years.

(d) If:

(1) a statement is filed under this chapter in a calendar year to claim a deduction under this chapter with respect to real property; and

(2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in that calendar year and for the property taxes due and payable based on the assessment for that assessment date.

(e) If:

(1) a statement is filed under this chapter in a twelve (12) month filing period designated under this chapter to claim a deduction under this chapter with respect to a mobile home or a manufactured home not assessed as real property; and

(2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in that twelve (12) month period and for the property taxes due and payable based on the assessment for that assessment date.

SECTION 39. IC 6-1.1-17-0.5, AS AMENDED BY P.L.154-2006, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) For purposes of this section, "assessed value" has the meaning set forth in IC 6-1.1-1-3(a).

(b) The county auditor may exclude and keep separate on the tax duplicate for taxes payable in a calendar year the assessed value of tangible property that meets the following conditions:

(1) The assessed value of the property is at least nine percent (9%) of the assessed value of all tangible property subject to taxation by a taxing unit.

(2) The property is or has been part of a bankruptcy estate that is subject to protection under the federal bankruptcy code.

(3) The owner of the property has discontinued all business operations on the property.

(4) There is a high probability that the taxpayer will not pay

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property taxes due on the property in the following year.

(c) This section does not limit, restrict, or reduce in any way the property tax liability on the property.

(d) For each taxing unit located in the county, the county auditor may reduce for a calendar year the taxing unit's assessed value that is certified to the department of local government finance under section 1 of this chapter and used to set tax rates for the taxing unit for taxes first due and payable in the immediately succeeding calendar year. The county auditor may reduce a taxing unit's assessed value under this subsection only to enable the taxing unit to absorb the effects of reduced property tax collections in the immediately succeeding calendar year that are expected to result from **any or a combination of the following:**

(1) Successful appeals of the assessed value of property located in the taxing unit.

(2) **Deductions under IC 6-1.1-12-37 that result from the granting of applications for the homestead credit for the calendar year under IC 6-1.1-20.9-3 or IC 6-1.1-20.9-3.5 after the county auditor certifies assessed value as described in this section.**

(3) **Deductions that result from the granting of applications for deductions for the calendar year under IC 6-1.1-12-44 after the county auditor certifies assessed value as described in this section.**

Not later than December 31 of each year, the county auditor shall send a certified statement, under the seal of the board of county commissioners, to the fiscal officer of each political subdivision of the county and to the department of local government finance. The certified statement must list any adjustments to the amount of the reduction under this subsection and the information submitted under section 1 of this chapter that are necessary as the result of processing homestead credit applications and deduction applications that are filed after the county auditor certifies assessed value as described in this section. The county auditor shall keep separately on the tax duplicate the amount of any reductions made under this subsection. The maximum amount of the reduction authorized under this subsection is determined under subsection (e).

(e) The amount of the reduction in a taxing unit's assessed value for a calendar year under subsection (d) may not exceed ~~the lesser of:~~

- ~~(1) two percent (2%) of the assessed value of tangible property subject to assessment in the taxing unit in that calendar year. or~~
- ~~(2) the total amount of reductions in the assessed value of tangible~~

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property subject to assessment in the taxing unit that:

(A) applied for the assessment date in the immediately preceding year; and

(B) resulted from successful appeals of the assessed value of the property.

(f) The amount of a reduction under subsection (d) may not be offered in a proceeding before the:

(1) county property tax assessment board of appeals;

(2) Indiana board; or

(3) Indiana tax court;

as evidence that a particular parcel has been improperly assessed.

SECTION 40. IC 6-1.1-20.9-2, AS AMENDED BY P.L.224-2007, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 2. (a) Except as otherwise provided in section 5 of this chapter, an individual who ~~on March 1 of~~ in a particular year either owns or is buying a homestead under a contract that provides the individual is to pay the property taxes on the homestead is entitled each calendar year to a credit against the property taxes which the individual pays on the individual's homestead. However, only one (1) individual may receive a credit under this chapter for a particular homestead in a particular year. **With respect to real property or a mobile home or a manufactured home that is not assessed as real property, the individual must:**

(1) own the real property, mobile home, or manufactured home; or

(2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under section 3 or 3.5 of this chapter.

(b) The amount of the credit to which the individual is entitled equals the product of:

(1) the percentage prescribed in subsection (d); multiplied by

(2) the amount of the individual's property tax liability, as that term is defined in IC 6-1.1-21-5, which is:

(A) attributable to the homestead during the particular calendar year; and

(B) determined after the application of the property tax replacement credit under IC 6-1.1-21.

(c) For purposes of determining that part of an individual's property tax liability that is attributable to the individual's homestead, all deductions from assessed valuation which the individual claims under IC 6-1.1-12 or IC 6-1.1-12.1 for property on which the individual's

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homestead is located must be applied first against the assessed value of the individual's homestead before those deductions are applied against any other property.

(d) The percentage of the credit referred to in subsection (b)(1) is as follows:

YEAR	PERCENTAGE OF THE CREDIT
1996	8%
1997	6%
1998 through 2002	10%
2003 through 2005	20%
2006	28%
2007 and thereafter	20%

However, the percentage credit allowed in a particular county for a particular year shall be increased if on January 1 of a year an ordinance adopted by a county income tax council was in effect in the county which increased the homestead credit. The amount of the increase equals the amount designated in the ordinance.

(e) Before October 1 of each year, the **county** assessor shall furnish to the county auditor the amount of the assessed valuation of each homestead for which a homestead credit has been properly filed under **section 3 or 3.5** of this chapter. **The county assessor shall update the information not later than December 31 of that year.**

(f) The county auditor shall apply the credit equally to each installment of taxes that the individual pays for the property.

(g) Notwithstanding the provisions of this chapter, a taxpayer other than an individual is entitled to the credit provided by this chapter if:

- (1) an individual uses the residence as the individual's principal place of residence;
- (2) the residence is located in Indiana;
- (3) the individual has a beneficial interest in the taxpayer;
- (4) the taxpayer either owns the residence or is buying it under a contract, recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence; and
- (5) the residence consists of a single-family dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

SECTION 41. IC 6-1.1-20.9-3, AS AMENDED BY P.L.183-2007, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 3. (a) **Except as provided in section 3.5 of this chapter and subject to section 7 of**

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this chapter, an individual who desires to claim the credit provided by section 2 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement shall include the parcel number or key number of the real estate and the name of the city, town, or township in which the real estate is located. With respect to real property, the statement must be filed during the ~~twelve (12) months before June 11~~ of the year prior to the first year for which the person wishes to obtain the credit for the homestead. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of the first year for which the individual wishes to obtain the credit. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the credit is allowed.

(b) The certified statement referred to in subsection (a) shall contain the name of any other county and township in which the individual owns or is buying real property.

(c) If an individual who is receiving the credit provided by this chapter changes the use of the individual's real property, so that part or all of that real property no longer qualifies for the homestead credit provided by this chapter, the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use within sixty (60) days after the date of that change. An individual who changes the use of the individual's real property and fails to file the statement required by this subsection is liable for the amount of the credit the individual was allowed under this chapter for that real property.

(d) An individual who receives the credit provided by section 2 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the credit in the following year is not required to file a statement to reapply for the credit following the removal of the joint owner if:

- (1) the individual is the sole owner of the property following the death of the individual's spouse;
- (2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or
- (3) the individual is awarded sole ownership of property in a divorce decree.

SECTION 42. IC 6-1.1-20.9-3.5 IS ADDED TO THE INDIANA

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CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 3.5. (a) A sales disclosure form under IC 6-1.1-5.5:**

(1) that is submitted:

(A) as a paper form; or

(B) electronically;

on or before December 31 of a calendar year to the county assessor by or on behalf of the purchaser of a homestead assessed as real property;

(2) that is accurate and complete;

(3) that is approved by the county assessor as eligible for filing with the county auditor; and

(4) that is filed:

(A) as a paper form; or

(B) electronically;

with the county auditor by or on behalf of the purchaser; constitutes an application for the credit provided by section 2 of this chapter with respect to property taxes first due and payable in the calendar year that immediately succeeds the calendar year referred to in subdivision (1).

(b) Except as provided in subsection (c), if:

(1) the county auditor receives in a calendar year a sales disclosure form that meets the requirements of subsection (a); and

(2) the homestead for which the sales disclosure form is submitted is otherwise eligible for the credit under this chapter;

the county auditor shall apply the credit under this chapter to the homestead for property taxes first due and payable in the calendar year for which the homestead qualifies under subsection (a) and in any later year in which the homestead remains eligible for the credit.

(c) Subsection (b) does not apply if the county auditor, after receiving a sales disclosure form from or on behalf of a purchaser under subsection (a)(4), determines that the homestead is ineligible for the credit under this chapter.

SECTION 43. IC 6-1.1-20.9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
Sec. 4. (a) The auditor of a county (referred to in this section as the "first county") with whom:

(1) a credit statement is filed under section 3 of this chapter; or

(2) a sales disclosure form is filed under section 3.5 of this

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chapter;

shall immediately prepare and transmit a copy of the statement **or form** to the auditor of any other county (referred to in this section as the "second county") if the individual who claims the credit **or files the form** owns or is buying real property located in the second county.

(b) The county auditor of the second county shall note on the copy of the statement **or form** whether or not the individual has claimed ~~a~~ **the** credit for the current year ~~under section 2 of this chapter~~ for a homestead located in the second county. The auditor shall then return the copy to the auditor of the first county.

SECTION 44. IC 6-1.1-20.9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:

Sec. 5. (a) Each year, the county auditor shall:

(1) place the original copies of all credit statements filed under section 3 of this chapter **and all sales disclosure forms filed under section 3.5 of this chapter** in alphabetical order by townships; and ~~he shall~~;

(2) without regard to townships, place ~~the~~ **any** duplicate copies for the entire county in alphabetical order.

(b) The auditor shall ascertain from the alphabetical files whether or not more than one (1) statement **or sales disclosure form** has been filed by the same individual.

(c) The county auditor may not grant an individual a credit under section 2 of this chapter if:

(1) the individual, for the same year, claims the credit:

(A) on two (2) or more different statements;

(B) **by submitting two (2) or more different sales disclosure forms; or**

(C) **through any combination of statements and sales disclosure forms; and**

(2) **as a result the statements claim the credit is claimed for different property. more than one (1) homestead.**

SECTION 45. IC 6-1.1-20.9-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 7. (a)**

Subject to subsections (b) and (c), a credit under this chapter applies for the property taxes due and payable based on the assessment for an assessment date, regardless of whether with respect to the real property or mobile home or manufactured home not assessed as real property:

(1) the title is conveyed one (1) or more times; or

(2) one (1) or more contracts to purchase are entered into;

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after that assessment date and on or before the next succeeding assessment date.

(b) Subsection (a) applies:

(1) only if the title holder or the contract buyer on that next succeeding assessment date is eligible for the credit for property taxes due and payable based on the assessment for that next succeeding assessment date; and

(2) regardless of whether:

(A) one (1) or more grantees of title under subsection (a)(1); or

(B) one (1) or more contract purchasers under subsection (a)(2);

files a statement under this chapter to claim the credit.

(c) A credit applies under subsection (a) for only one (1) year. The requirements of this chapter for filing a statement to apply for a credit under this chapter apply to subsequent years.

(d) If a person files a statement in a calendar year to claim a credit under this chapter with respect to real property, the credit applies for the property taxes due and payable in the immediately succeeding calendar year.

(e) If a person files a statement in a twelve (12) month filing period designated under this chapter to claim a credit under this chapter with respect to a mobile home or a manufactured home not assessed as real property, the credit applies to the property taxes due and payable in the immediately succeeding twelve (12) month period.

SECTION 46. IC 6-1.1-21-4, AS AMENDED BY P.L.234-2007, SECTION 297, AND AS AMENDED BY P.L.219-2007, SECTION 62, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Each year the department shall allocate from the property tax replacement fund an amount equal to the sum of:

(1) each county's total eligible property tax replacement amount for that year; plus

(2) the total amount of homestead tax credits that are provided under IC 6-1.1-20.9 and allowed by each county for that year; plus

(3) an amount for each county that has one (1) or more taxing districts that contain all or part of an economic development district that meets the requirements of section 5.5 of this chapter.

This amount is the sum of the amounts determined under the following STEPS for all taxing districts in the county that contain

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all or part of an economic development district:

STEP ONE: Determine that part of the sum of the amounts under section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of the subdivision (1) amount that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; times

(B) the taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5.

(b) Except as provided in subsection (e), between March 1 and August 31 of each year, the department shall distribute to each county treasurer from the property tax replacement fund one-half (1/2) of the estimated distribution for that year for the county. Between September 1 and December 15 of that year, the department shall distribute to each county treasurer from the property tax replacement fund the remaining one-half (1/2) of each estimated distribution for that year. The amount of the distribution for each of these periods shall be according to a schedule determined by the property tax replacement fund board under section 10 of this chapter. The estimated distribution for each county may be adjusted from time to time by the department to reflect any changes in the total county tax levy upon which the estimated distribution is based.

(c) On or before December 31 of each year or as soon thereafter as possible, the department shall make a final determination of the amount which should be distributed from the property tax replacement fund to each county for that calendar year. This determination shall be known as the final determination of distribution. The department shall distribute to the county treasurer or, *except as provided in section 9 of this chapter*, receive back from the county treasurer any deficit or excess, as the case may be, between the sum of the distributions made for that calendar year based on the estimated distribution and the final determination of distribution. The final determination of distribution shall be based on the auditor's abstract filed with the auditor of state, adjusted for postabstract adjustments included in the December settlement sheet for the year, and such additional information as the department may require.

(d) All distributions provided for in this section shall be made on warrants issued by the auditor of state drawn on the treasurer of state. If the amounts allocated by the department from the property tax

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1 replacement fund exceed in the aggregate the balance of money in the
 2 fund, then the amount of the deficiency shall be transferred from the
 3 state general fund to the property tax replacement fund, and the auditor
 4 of state shall issue a warrant to the treasurer of state ordering the
 5 payment of that amount. However, any amount transferred under this
 6 section from the general fund to the property tax replacement fund
 7 shall, as soon as funds are available in the property tax replacement
 8 fund, be retransferred from the property tax replacement fund to the
 9 state general fund, and the auditor of state shall issue a warrant to the
 10 treasurer of state ordering the replacement of that amount.

11 (e) Except as provided in subsection (g) and subject to subsection
 12 (h), the department shall not distribute under subsection (b) and section
 13 10 of this chapter a percentage, determined by the department, of the
 14 money that would otherwise be distributed to the county under
 15 subsection (b) and section 10 of this chapter if:

16 (1) **subject to subsection (j)**, by the date the distribution is
 17 scheduled to be made, the county auditor has not sent a certified
 18 statement required to be sent by that date under IC 6-1.1-17-1 to
 19 the department of local government finance;

20 (2) by the deadline under IC 36-2-9-20, the county auditor has not
 21 transmitted data as required under that section;

22 (3) the county assessor has not forwarded to the department of
 23 local government finance the duplicate copies of all approved
 24 exemption applications required to be forwarded by that date
 25 under IC 6-1.1-11-8(a);

26 (4) the county assessor has not forwarded to the department of
 27 local government finance in a timely manner sales disclosure
 28 *forms form data* under ~~IC 6-1.1-5.5-3(b)~~, ~~IC 6-1.1-5.5-3(h)~~;
 29 **IC 6-1.1-5.5-3(c)**;

30 (5) local assessing officials have not provided information to the
 31 department of local government finance in a timely manner under
 32 IC 4-10-13-5(b);

33 (6) the county auditor has not paid a bill for services under
 34 IC 6-1.1-4-31.5 to the department of local government finance in
 35 a timely manner;

36 (7) the elected township assessors in the county, the elected
 37 township assessors and the county assessor, or the county assessor
 38 has not transmitted to the department of local government finance
 39 by October 1 of the year in which the distribution is scheduled to
 40 be made the data for all townships in the county required to be
 41 transmitted under IC 6-1.1-4-25(b);

42 (8) the county has not established a parcel index numbering

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system under 50 IAC 12-15-1 in a timely manner; or
 (9) a township or county official has not provided other
 information to the department of local government finance in a
 timely manner as required by the department.

(f) Except as provided in subsection (i), money not distributed for
 the reasons stated in subsection (e) shall be distributed to the county
 when the department of local government finance determines that the
 failure to:

- (1) provide information; or
- (2) pay a bill for services;

has been corrected.

(g) The restrictions on distributions under subsection (e) do not
 apply if the department of local government finance determines that the
 failure to:

- (1) provide information; or
- (2) pay a bill for services;

in a timely manner is justified by unusual circumstances.

(h) The department shall give the county auditor at least thirty (30)
 days notice in writing before withholding a distribution under
 subsection (e).

(i) Money not distributed for the reason stated in subsection (e)(6)
 may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money
 deposited under this subsection is not subject to distribution under
 subsection (f).

**(j) The county auditor is considered to have complied with the
 requirement of subsection (e)(1) regardless of whether the
 information included in the certified statement required to be sent
 by the county auditor under IC 6-1.1-17-1 changes after the
 deadline for sending the statement as a result of credit and
 deduction applications filed under IC 6-1.1-20.9-3.5 and
 IC 6-1.1-12-44.**

SECTION 47. IC 36-7-35 IS ADDED TO THE INDIANA CODE
 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 JULY 1, 2008]:

Chapter 35. Property Maintenance Areas

**Sec. 1. As used in this chapter, "landlord" has the meaning set
 forth in IC 32-31-3-3.**

**Sec. 2. As used in this chapter, "maintenance activity" means
 the remodeling, repair, or improvement of property as defined by
 a municipality in a PMA ordinance adopted under section 9 of this
 chapter.**

Sec. 3. As used in this chapter, "PMA certification" means a

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certification provided under section 9 of this chapter for qualified expenditures made on property in a property maintenance area.

Sec. 4. As used in this chapter, "PMA ordinance" means an ordinance adopted by the fiscal body of a municipality under section 9 of this chapter.

Sec. 5. (a) As used in this chapter, "property" means a building or structure:

(1) assessed as real property under IC 6-1.1-4; and

(2) listed in a PMA ordinance.

(b) The term does not include land.

Sec. 6. As used in this chapter, "property maintenance area" means an area established by a municipality under section 9 of this chapter.

Sec. 7. As used in this chapter, "qualified expenditure" means an expenditure made by a taxpayer for maintenance activities that qualify the taxpayer for a credit under IC 6-3.1-32.5 as determined under a PMA ordinance.

Sec. 8. As used in this chapter, "residentially distressed area" means an area:

(1) that has a significant number of:

(A) dwellings (as defined in IC 6-1.1-20.9-1) within the area that are:

(i) not permanently occupied;

(ii) subject to an order issued under IC 36-7-9; or

(iii) evidencing significant building deficiencies; or

(B) vacant parcels of real property (as defined by IC 6-1.1-1-15); or

(2) that has experienced a net loss in the number of dwellings (as defined in IC 6-1.1-20.9-1).

Sec. 9. (a) The fiscal body of a municipality located in a county may adopt an ordinance establishing a property maintenance area to provide certification of qualified expenditures on property in the property maintenance area. The ordinance shall be referred to as a PMA ordinance. The boundaries of a property maintenance area may not exceed five percent (5%) of the total land area of the municipality. The property maintenance area established under this section must be either:

(1) a residentially distressed area; or

(2) an area:

(A) that contains the types of property listed or defined in the PMA ordinance; and

(B) where the median assessed value of each type of

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property under clause (A) within the property maintenance area does not exceed the median assessed value for that type of property throughout the municipality.

(b) A municipality that adopts a PMA ordinance may provide grants to individuals who receive a PMA certification under this chapter. The amount of a grant provided under this subsection may not exceed the lesser of:

- (1) fifty percent (50%) of the qualified expenditures certified in the PMA certification; or
- (2) one thousand five hundred dollars (\$1,500).

Sec. 10. A PMA ordinance adopted under section 9 of this chapter must be in effect for at least one (1) year and not more than ten (10) years and must include the following:

- (1) The geographic boundaries of the property maintenance area.
- (2) A list or definition of:
 - (A) the types of property; and
 - (B) the maintenance activities;
 that may entitle a taxpayer to a credit under IC 6-3.1-32.5.
- (3) The eligibility qualifications for a contractor to perform maintenance activities within the property maintenance area.
- (4) The criteria for a landlord to be eligible for a PMA certification.
- (5) The amount of the qualified expenditures that may be certified under this chapter.

Sec. 11. The list or definition of maintenance activities determined by the municipality under section 10(2) of this chapter may include installing, repairing, or upgrading:

- (1) roofing;
- (2) siding;
- (3) a furnace;
- (4) a window or windows;
- (5) paint;
- (6) a foundation;
- (7) electrical wiring; or
- (8) plumbing.

Sec. 12. The eligibility qualifications established under section 10(3) of this chapter:

- (1) may not prohibit or disallow certification of qualified expenditures made by the owner of property for maintenance activities performed by the owner on the property if all other

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requirements and qualifications are satisfied for obtaining a PMA certification under this chapter; and

(2) may require a contractor to submit to the fiscal body of the municipality:

(A) proof that the contractor holds a valid contractor's license;

(B) any complaints filed against the contractor with a better business bureau or a federal, state, or local unit of government; and

(C) financial statements or business plans of the contractor.

Sec. 13. The criteria established under section 10(4) of this chapter must require a landlord to:

(1) report any violations relating to any health or housing codes applicable to any property in which the landlord has an interest;

(2) submit a plan, before receiving a PMA certification under this chapter, to correct all violations reported under subdivision (1); and

(3) repay to the municipality the amount of any grants awarded under this chapter, if the landlord does not correct all violations reported under subdivision (1) within a reasonable time, as determined by the municipality.

Sec. 14. If a person:

(1) makes a qualified expenditure on the person's property in a property maintenance area; and

(2) meets all the other requirements set forth in the PMA ordinance adopted by the municipality where the person's property is located;

the person is entitled to a PMA certification under this chapter.

SECTION 48. [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)] IC 6-1.1-12-1, IC 6-1.1-12-2, IC 6-1.1-12-3, IC 6-1.1-12-4, IC 6-1.1-12-9, IC 6-1.1-12-10.1, IC 6-1.1-12-11, IC 6-1.1-12-12, IC 6-1.1-12-13, IC 6-1.1-12-14, IC 6-1.1-12-15, IC 6-1.1-12-16, IC 6-1.1-12-17, IC 6-1.1-12-17.4, IC 6-1.1-12-17.5, IC 6-1.1-12-17.8, IC 6-1.1-12-18, IC 6-1.1-12-20, IC 6-1.1-12-22, IC 6-1.1-12-24, IC 6-1.1-12-27.1, IC 6-1.1-12-30, IC 6-1.1-12-31, IC 6-1.1-12-33, IC 6-1.1-12-34, IC 6-1.1-12-34.5, IC 6-1.1-12-35.5, IC 6-1.1-12-38, IC 6-1.1-17-0.5, IC 6-1.1-20.9-2, IC 6-1.1-20.9-3, IC 6-1.1-20.9-4, and IC 6-1.1-20.9-5, all as amended by this act, and IC 6-1.1-12-44, IC 6-1.1-12-45, IC 6-1.1-20.9-3.5, and IC 6-1.1-20.9-7, all as added by this act, apply only to property

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1 taxes first due and payable after 2008.

2 SECTION 49. [EFFECTIVE JULY 1, 2008] IC 6-1.1-5.5-1,
3 IC 6-1.1-5.5-2, IC 6-1.1-5.5-3, IC 6-1.1-5.5-4, IC 6-1.1-5.5-5,
4 IC 6-1.1-5.5-6, IC 6-1.1-5.5-10, and IC 6-1.1-5.5-12, all as amended
5 by this act, apply only to a conveyance (as defined in IC 6-1.1-5.5-1,
6 as amended by this act) that occurs after June 30, 2008.

7 SECTION 50. [EFFECTIVE JULY 1, 2008] IC 6-1.1-5.5-10, as
8 amended by this act, applies to crimes committed after June 30,
9 2008.

10 SECTION 51. [EFFECTIVE UPON PASSAGE] (a) Before July 1,
11 2008, the department of local government finance shall prescribe
12 a sales disclosure form under IC 6-1.1-5.5-5, as amended by this
13 act, that reflects the requirements of this act.

14 (b) This SECTION expires July 1, 2008.

15 SECTION 52. [EFFECTIVE JANUARY 1, 2008] (a) This
16 SECTION applies to a taxpayer notwithstanding the following:

17 (1) IC 6-1.1-3-7.5.

18 (2) IC 6-1.1-10-31.1.

19 (3) IC 6-1.1-11.

20 (4) 50 IAC 4.2-2.

21 (5) 50 IAC 4.2-3.

22 (6) 50 IAC 4.2-11.

23 (7) 50 IAC 4.2-12.

24 (8) 50 IAC 4.2-15-11.

25 (9) 50 IAC 16.

26 (b) This SECTION applies:

27 (1) to an assessment date occurring after December 31, 2003,
28 and before January 1, 2007; and

29 (2) for property taxes first due and payable after December
30 31, 2004, and before January 1, 2008.

31 (c) As used in this SECTION, "taxpayer" refers to a taxpayer
32 who:

33 (1) filed an original personal property tax return under
34 IC 6-1.1-3-7 for an assessment date described in subsection

35 (b); and

36 (2) submits for filing, after December 31, 2007, and before
37 March 1, 2008, an amended personal property tax return and
38 a Form 103-W for an assessment date described in subsection
39 (b).

40 (d) An amended personal property tax return submitted for
41 filing by a taxpayer in person or in any other manner consistent
42 with IC 6-1.1-36-1.5 for an assessment date described in subsection

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1 (b):

2 (1) must be allowed; and

3 (2) is considered to have been timely filed.

4 (e) A taxpayer is entitled to the exemptions for tangible personal
5 property claimed on:

6 (1) Schedule B of the amended returns; and

7 (2) each Form 103-W filed with the amended returns;
8 filed under this SECTION.

9 (f) A notice of increased assessed value issued by a township
10 assessor with respect to tangible personal property that is subject
11 to an amended return filed under this SECTION is considered
12 withdrawn and nullified.

13 (g) IC 6-1.1-37-7, IC 6-1.1-37-9, and IC 6-1.1-37-10 do not apply
14 to any additional personal property taxes owed by a taxpayer as
15 the result of filing an amended return under this SECTION.

16 (h) A taxpayer is not entitled to a refund with respect to an
17 amended return filed by a taxpayer under this SECTION.

18 (i) This SECTION expires July 1, 2009.

19 SECTION 53. [EFFECTIVE UPON PASSAGE] (a) The definitions
20 in IC 6-1.1-20.9-1 apply throughout this SECTION.

21 (b) The department of local government finance shall adopt
22 rules under IC 4-22-2 before January 1, 2009, to establish
23 guidelines to enforce the application of the homestead credit only
24 to an individual's principal place of residence as required by
25 IC 6-1.1-20.9-1(2). The rules must establish the means for the
26 county auditor to ascertain whether:

27 (1) an individual who claims a homestead credit under
28 IC 6-1.1-20.9:

29 (A) owns;

30 (B) is buying under contract; or

31 (C) has a beneficial interest in a taxpayer that owns or is
32 buying under contract;

33 a dwelling outside Indiana; and

34 (2) the dwelling referred to in subdivision (1) is the
35 individual's principal place of residence.

36 (c) This SECTION expires January 1, 2009.

37 SECTION 54. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1293, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 8, between lines 26 and 27, begin a new paragraph and insert:

"SECTION 8. IC 6-3.1-32.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]:

Chapter 32.5. Property Maintenance Credit

Sec. 1. As used in this chapter, "pass through entity" means:

- (1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);**
- (2) a partnership;**
- (3) a limited liability company; or**
- (4) a limited liability partnership.**

Sec. 2. As used in this chapter, "PMA certification" means a certification received from a municipality under IC 36-7-35 for qualified expenditures made on property in a property maintenance area.

Sec. 3. As used in this chapter, "PMA ordinance" means an ordinance adopted by the fiscal body of a municipality under IC 36-7-35.

Sec. 4. (a) As used in this chapter, "property" means a building or structure:

- (1) assessed as real property under IC 6-1.1-4; and**
 - (2) listed in a PMA ordinance.**
- (b) The term does not include land.**

Sec. 5. As used in this chapter, "property maintenance area" means an area established by a municipality under IC 36-7-35-9.

Sec. 6. As used in this chapter, "qualified expenditure" means an expenditure made by a taxpayer for maintenance activities that qualify the taxpayer for a credit under this chapter as determined under a PMA ordinance adopted under IC 36-7-35-9.

Sec. 7. As used in this chapter, "state tax liability" means a taxpayer's total tax liability incurred under IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax), as computed after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 8. As used in this chapter, "taxpayer" means an individual, a corporation, an S corporation, a partnership, a limited liability company, a limited liability partnership, a nonprofit organization,

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or a joint venture.

Sec. 9. A taxpayer that has received a PMA certification is entitled to a credit against the taxpayer's state tax liability equal the lesser of:

- (1) fifty percent (50%) of the qualified expenditures certified in the PMA certification; or
- (2) one thousand five hundred dollars (\$1,500).

Sec. 10. In the case of a husband and wife who:

- (1) own property jointly; and
- (2) file separate tax returns;

the husband and wife may take the credit permitted under this chapter in equal shares or one (1) spouse may take the whole credit.

Sec. 11. (a) If a pass through entity is entitled to a credit under this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and a shareholder, partner, or member of the pass through entity may not claim more than one (1) credit for the same maintenance activity.

Sec. 12. To obtain a credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter. The taxpayer shall forward a copy of any information provided to the department of state revenue under this section to the municipality that provided the taxpayer's PMA certification under IC 36-7-35.

Sec. 13. The department shall forward to each municipality that has adopted a PMA ordinance the total amount of all tax credits awarded under this chapter during the taxable year.

Sec. 14. The department may adopt rules under IC 4-22-2 to

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carry out this chapter.

SECTION 9. IC 6-3.5-6-17, AS AMENDED BY P.L.224-2007, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17. (a) Revenue derived from the imposition of the county option income tax shall, in the manner prescribed by this section, be distributed to the county that imposed it. The amount that is to be distributed to a county during an ensuing calendar year equals the amount of county option income tax revenue that the department, after reviewing the recommendation of the budget agency, determines has been:

(1) received from that county for a taxable year ending in a calendar year preceding the calendar year in which the determination is made; and

(2) reported on an annual return or amended return processed by the department in the state fiscal year ending before July 1 of the calendar year in which the determination is made;

as adjusted (as determined after review of the recommendation of the budget agency) for refunds of county option income tax made in the state fiscal year.

(b) Before August 2 of each calendar year, the department, after reviewing the recommendation of the budget agency, shall certify to the county auditor of each adopting county the amount determined under subsection (a) plus the amount of interest in the county's account that has accrued and has not been included in a certification made in a preceding year. The amount certified is the county's "certified distribution" for the immediately succeeding calendar year. The amount certified shall be adjusted, as necessary, under subsections (c), (d), (e), ~~and~~ (f), **and (g)**. The department shall provide with the certification an informative summary of the calculations used to determine the certified distribution. The department shall also certify information concerning the part of the certified distribution that is attributable to a tax rate under section 30, 31, or 32 of this chapter. This information must be certified to the county auditor and to the department of local government finance not later than September 1 of each calendar year. The part of the certified distribution that is attributable to a tax rate under section 30, 31, or 32 of this chapter may be used only as specified in those provisions.

(c) The department shall certify an amount less than the amount determined under subsection (b) if the department, after reviewing the recommendation of the budget agency, determines that the reduced distribution is necessary to offset overpayments made in a calendar year before the calendar year of the distribution. The department, after

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reviewing the recommendation of the budget agency, may reduce the amount of the certified distribution over several calendar years so that any overpayments are offset over several years rather than in one (1) lump sum.

(d) The department, after reviewing the recommendation of the budget agency, shall adjust the certified distribution of a county to correct for any clerical or mathematical errors made in any previous certification under this section. The department, after reviewing the recommendation of the budget agency, may reduce the amount of the certified distribution over several calendar years so that any adjustment under this subsection is offset over several years rather than in one (1) lump sum.

(e) This subsection applies to a county that:

- (1) initially imposed the county option income tax; or
- (2) increases the county option income tax rate;

under this chapter in the same calendar year in which the department makes a certification under this section. The department, after reviewing the recommendation of the budget agency, shall adjust the certified distribution of a county to provide for a distribution in the immediately following calendar year and in each calendar year thereafter. The department shall provide for a full transition to certification of distributions as provided in subsection (a)(1) through (a)(2) in the manner provided in subsection (c).

(f) This subsection applies in the year a county initially imposes a tax rate under section 30 of this chapter. Notwithstanding any other provision, the department shall adjust the part of the county's certified distribution that is attributable to the tax rate under section 30 of this chapter to provide for a distribution in the immediately following calendar year equal to the result of:

- (1) the sum of the amounts determined under STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(a) in the year in which the county initially imposes a tax rate under section 30 of this chapter; multiplied by
- (2) the following:
 - (A) In a county containing a consolidated city, one and five-tenths (1.5).
 - (B) In a county other than a county containing a consolidated city, two (2).

(g) If one (1) or more municipalities in a county have established a property maintenance area under IC 36-7-35, the department shall reduce the county's annual certified distribution by an amount equal to the total amount of credits awarded under

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IC 6-3.1-32.5 with respect to qualified expenditures certified in a property maintenance area in the county in the preceding calendar year.

~~(g)~~ **(h)** One-twelfth (1/12) of each adopting county's certified distribution for a calendar year shall be distributed from its account established under section 16 of this chapter to the appropriate county treasurer on the first day of each month of that calendar year.

~~(h)~~ **(i)** Upon receipt, each monthly payment of a county's certified distribution shall be allocated among, distributed to, and used by the civil taxing units of the county as provided in sections 18 and 19 of this chapter.

~~(i)~~ **(j)** All distributions from an account established under section 16 of this chapter shall be made by warrants issued by the auditor of state to the treasurer of state ordering the appropriate payments.

SECTION 10. IC 6-3.5-6-18, AS AMENDED BY P.L.224-2007, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 18. (a) The revenue a county auditor receives under this chapter shall be used to:

- (1) replace the amount, if any, of property tax revenue lost due to the allowance of an increased homestead credit within the county;
- (2) fund the operation of a public communications system and computer facilities district as provided in an election, if any, made by the county fiscal body under IC 36-8-15-19(b);
- (3) fund the operation of a public transportation corporation as provided in an election, if any, made by the county fiscal body under IC 36-9-4-42;
- (4) make payments permitted under IC 36-7-15.1-17.5;
- (5) make payments permitted under subsection (i);
- (6) make distributions of distributive shares to the civil taxing units of a county; and
- (7) make the distributions permitted under sections 27, 28, 29, 30, 31, 32, and 33 of this chapter.

(b) The county auditor shall retain from the payments of the county's certified distribution, an amount equal to the revenue lost, if any, due to the increase of the homestead credit within the county. This money shall be distributed to the civil taxing units and school corporations of the county as though they were property tax collections and in such a manner that no civil taxing unit or school corporation shall suffer a net revenue loss due to the allowance of an increased homestead credit.

(c) The county auditor shall retain:

- (1) the amount, if any, specified by the county fiscal body for a particular calendar year under subsection (i), IC 36-7-15.1-17.5,

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IC 36-8-15-19(b), and IC 36-9-4-42 from the county's certified distribution for that same calendar year; and

(2) the amount of an additional tax rate imposed under section 27, 28, 29, 30, 31, 32, or 33 of this chapter.

The county auditor shall distribute amounts retained under this subsection to the county.

(d) All certified distribution revenues that are not retained and distributed under subsections (b) and (c) shall be distributed to the civil taxing units of the county as distributive shares.

(e) **Subject to subsection (j)**, the amount of distributive shares that each civil taxing unit in a county is entitled to receive during a month equals the product of the following:

(1) The amount of revenue that is to be distributed as distributive shares during that month; multiplied by

(2) A fraction. The numerator of the fraction equals the allocation amount for the civil taxing unit for the calendar year in which the month falls. The denominator of the fraction equals the sum of the allocation amounts of all the civil taxing units of the county for the calendar year in which the month falls.

(f) The department of local government finance shall provide each county auditor with the fractional amount of distributive shares that each civil taxing unit in the auditor's county is entitled to receive monthly under this section.

(g) Notwithstanding subsection (e) **and subject to subsection (j)**, if a civil taxing unit of an adopting county does not impose a property tax levy that is first due and payable in a calendar year in which distributive shares are being distributed under this section, that civil taxing unit is entitled to receive a part of the revenue to be distributed as distributive shares under this section within the county. The fractional amount such a civil taxing unit is entitled to receive each month during that calendar year equals the product of the following:

(1) The amount to be distributed as distributive shares during that month; multiplied by

(2) A fraction. The numerator of the fraction equals the budget of that civil taxing unit for that calendar year. The denominator of the fraction equals the aggregate budgets of all civil taxing units of that county for that calendar year.

(h) If for a calendar year a civil taxing unit is allocated a part of a county's distributive shares by subsection (g), then the formula used in subsection (e) to determine all other civil taxing units' distributive shares shall be changed each month for that same year by reducing the amount to be distributed as distributive shares under subsection (e) by

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the amount of distributive shares allocated under subsection (g) for that same month. The department of local government finance shall make any adjustments required by this subsection and provide them to the appropriate county auditors.

(i) Notwithstanding any other law, a county fiscal body may pledge revenues received under this chapter (other than revenues attributable to a tax rate imposed under section 30, 31, or 32 of this chapter) to the payment of bonds or lease rentals to finance a qualified economic development tax project under IC 36-7-27 in that county or in any other county if the county fiscal body determines that the project will promote significant opportunities for the gainful employment or retention of employment of the county's residents.

(j) If a municipality in a county has established a property maintenance area under IC 36-7-35, the county auditor shall reduce the municipality's monthly allocation determined under subsection (e) or (g) by an amount equal to the total amount of credits awarded under IC 6-3.1-32.5 with respect to qualified expenditures certified in a property maintenance area in the municipality in the preceding calendar year divided by twelve (12).

SECTION 11. IC 36-7-35 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]:

Chapter 35. Property Maintenance Areas

Sec. 1. As used in this chapter, "landlord" has the meaning set forth in IC 32-31-3-3.

Sec. 2. As used in this chapter, "maintenance activity" means the remodeling, repair, or improvement of property as defined by a municipality in a PMA ordinance adopted under section 9 of this chapter.

Sec. 3. As used in this chapter, "PMA certification" means a certification provided under section 9 of this chapter for qualified expenditures made on property in a property maintenance area.

Sec. 4. As used in this chapter, "PMA ordinance" means an ordinance adopted by the fiscal body of a municipality under section 9 of this chapter.

Sec. 5. (a) As used in this chapter, "property" means a building or structure:

- (1) assessed as real property under IC 6-1.1-4; and**
- (2) listed in a PMA ordinance.**

(b) The term does not include land.

Sec. 6. As used in this chapter, "property maintenance area" means an area established by a municipality under section 9 of this

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chapter.

Sec. 7. As used in this chapter, "qualified expenditure" means an expenditure made by a taxpayer for maintenance activities that qualify the taxpayer for a credit under IC 6-3.1-32.5 as determined under a PMA ordinance.

Sec. 8. As used in this chapter, "residentially distressed area" means an area:

- (1) that has a significant number of:
 - (A) dwellings (as defined in IC 6-1.1-20.9-1) within the area that are:
 - (i) not permanently occupied;
 - (ii) subject to an order issued under IC 36-7-9; or
 - (iii) evidencing significant building deficiencies; or
 - (B) vacant parcels of real property (as defined by IC 6-1.1-1-15); or
- (2) that has experienced a net loss in the number of dwellings (as defined in IC 6-1.1-20.9-1).

Sec. 9. The fiscal body of a municipality located in a county that imposes a county option income tax under IC 6-3.5-6 may adopt an ordinance establishing a property maintenance area to provide certification of qualified expenditures on property in the property maintenance area. The ordinance shall be referred to as a PMA ordinance. The boundaries of a property maintenance area may not exceed five percent (5%) of the total land area of the municipality. The property maintenance area established under this section must be either:

- (1) a residentially distressed area; or
- (2) an area:
 - (A) that contains the types of property listed or defined in the PMA ordinance; and
 - (B) where the median assessed value of each type of property under clause (A) within the property maintenance area does not exceed the median assessed value for that type of property throughout the municipality.

Sec. 10. A PMA ordinance adopted under section 9 of this chapter must be in effect for at least one (1) year and not more than ten (10) years and must include the following:

- (1) The geographic boundaries of the property maintenance area.
- (2) A list or definition of:
 - (A) the types of property; and

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(B) the maintenance activities;

that may entitle a taxpayer to a credit under IC 6-3.1-32.5.

(3) The eligibility qualifications for a contractor to perform maintenance activities within the property maintenance area.

(4) The criteria for a landlord to be eligible for a PMA certification.

(5) The amount of the qualified expenditures that may be certified under this chapter.

Sec. 11. The list or definition of maintenance activities determined by the municipality under section 10(2) of this chapter may include installing, repairing, or upgrading:

- (1) roofing;
- (2) siding;
- (3) a furnace;
- (4) a window or windows;
- (5) paint;
- (6) a foundation;
- (7) electrical wiring; or
- (8) plumbing.

Sec. 12. The eligibility qualifications established under section 10(3) of this chapter:

(1) may not prohibit or disallow certification of qualified expenditures made by the owner of property for maintenance activities performed by the owner on the property if all other requirements and qualifications are satisfied for obtaining a PMA certification under this chapter; and

(2) may require a contractor to submit to the fiscal body of the municipality:

- (A) proof that the contractor holds a valid contractor's license;
- (B) any complaints filed against the contractor with a better business bureau or a federal, state, or local unit of government; and
- (C) financial statements or business plans of the contractor.

Sec. 13. The criteria established under section 10(4) of this chapter must require a landlord to:

- (1) report any violations relating to any health or housing codes applicable to any property in which the landlord has an interest;
- (2) submit a plan, before receiving a PMA certification under this chapter, to correct all violations reported under

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subdivision (1); and

(3) repay to the state the amount of any state tax credits awarded under IC 6-3.1-32.5, if the landlord does not correct all violations reported under subdivision (1) within a reasonable time, as determined by the municipality.

Sec. 14. If a person:

(1) makes a qualified expenditure on the person's property in a property maintenance area; and

(2) meets all the other requirements set forth in the PMA ordinance adopted by the municipality where the person's property is located;

the person is entitled to a PMA certification under this chapter.

Sec. 15. If a municipality adopts a PMA ordinance, the municipality shall forward:

(1) to the department of state revenue any information the department determines is necessary to reduce the certified distribution amount determined under IC 6-3.5-6-17 for the county in which the municipality is located; and

(2) to the county auditor of the county in which the municipality is located any information the county auditor determines is necessary to reduce the amount of the municipality's allocation determined under IC 6-3.5-6-18."

Page 8, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 13. [EFFECTIVE JANUARY 1, 2008] (a) This

SECTION applies to a taxpayer notwithstanding the following:

(1) IC 6-1.1-3-7.5.

(2) IC 6-1.1-10-31.1.

(3) IC 6-1.1-11.

(4) 50 IAC 4.2-2.

(5) 50 IAC 4.2-3.

(6) 50 IAC 4.2-11.

(7) 50 IAC 4.2-12.

(8) 50 IAC 4.2-15-11.

(9) 50 IAC 16.

(b) This SECTION applies:

(1) to an assessment date occurring after December 31, 2003, and before January 1, 2007; and

(2) for property taxes first due and payable after December 31, 2004, and before January 1, 2008.

(c) As used in this SECTION, "taxpayer" refers to a taxpayer who:

(1) filed an original personal property tax return under

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IC 6-1.1-3-7 for an assessment date described in subsection (b); and

(2) submits for filing, after December 31, 2007, and before March 1, 2008, an amended personal property tax return and a Form 103-W for an assessment date described in subsection (b).

(d) An amended personal property tax return submitted for filing by a taxpayer in person or in any other manner consistent with IC 6-1.1-36-1.5 for an assessment date described in subsection (b):

- (1) must be allowed; and
- (2) is considered to have been timely filed.

(e) A taxpayer is entitled to the exemptions for tangible personal property claimed on:

- (1) Schedule B of the amended returns; and
- (2) each Form 103-W filed with the amended returns; filed under this SECTION.

(f) A notice of increased assessed value issued by a township assessor with respect to tangible personal property that is subject to an amended return filed under this SECTION is considered withdrawn and nullified.

(g) IC 6-1.1-37-7, IC 6-1.1-37-9, and IC 6-1.1-37-10 do not apply to any additional personal property taxes owed by a taxpayer as the result of filing an amended return under this SECTION.

(h) A taxpayer is not entitled to a refund with respect to an amended return filed by a taxpayer under this SECTION.

(i) This SECTION expires July 1, 2009.

SECTION 14. [EFFECTIVE JULY 1, 2008] IC 6-3.1-32.5, as added by this act, applies to taxable years beginning after July 1, 2008."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1293 as introduced.)

CRAWFORD, Chair

Committee Vote: yeas 15, nays 4.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1293 be amended to read as follows:

Page 2, line 21, delete "December 31" and insert "**November 1**".

Page 2, between lines 23 and 24, begin a new line block indented and insert:

"(18) Whether the transferee claims one (1) or more deductions under IC 6-1.1-12-44."

Page 2, line 24, delete "(18)" and insert "**(19)**".

Page 2, between lines 30 and 31, begin a new paragraph and insert:

"SECTION 2. IC 6-1.1-12-2, AS AMENDED BY P.L.183-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 2. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided by section 1 of this chapter must file a statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the statement must be filed during the twelve (12) months before ~~June 1~~ **November 1** of each year for which the person wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. In addition to the statement required by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property. Upon receipt of the statement and the recorded contract or recorded memorandum of the contract, the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the contract.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury, and the statement must contain the following information:

(1) The balance of the person's mortgage or contract indebtedness on the assessment date of the year for which the deduction is

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claimed.

(2) The assessed value of the real property, mobile home, or manufactured home.

(3) The full name and complete residence address of the person and of the mortgagee or contract seller.

(4) The name and residence of any assignee or bona fide owner or holder of the mortgage or contract, if known, and if not known, the person shall state that fact.

(5) The record number and page where the mortgage, contract, or memorandum of the contract is recorded.

(6) A brief description of the real property, mobile home, or manufactured home which is encumbered by the mortgage or sold under the contract.

(7) If the person is not the sole legal or equitable owner of the real property, mobile home, or manufactured home, the exact share of the person's interest in it.

(8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(c) The authority for signing a deduction application filed under this section may not be delegated by the real property, mobile home, or manufactured home owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, contract, or memorandum of the contract, or in a separate instrument.

SECTION 3. IC 6-1.1-12-4, AS AMENDED BY P.L.154-2006, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 4. (a) An individual who satisfies the requirements of section 3 of this chapter may file a claim for a deduction, or deductions, provided by section 1 of this chapter during the twelve (12) months before ~~June 1~~ **November 1** of the year following the year in which the individual is discharged from military service. The individual shall file the claim, on the forms prescribed for claiming a deduction under section 2 of this chapter, with the auditor of the county in which the real property is located. The claim shall specify the particular year, or years, for which the deduction is claimed. The individual shall attach to the claim an affidavit which states the facts concerning the individual's absence as a member of the United States armed forces.

(b) The county property tax assessment board of appeals shall examine the individual's claim and shall determine the amount of deduction, or deductions, the individual is entitled to and the year, or

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years, for which deductions are due. Based on the board's determination, the county auditor shall calculate the excess taxes paid by the individual and shall refund the excess to the individual from funds not otherwise appropriated. The county auditor shall issue, and the county treasurer shall pay, a warrant for the amount, if any, to which the individual is entitled.

SECTION 4. IC 6-1.1-12-10.1, AS AMENDED BY P.L.183-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 10.1. (a) Except as provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is located. With respect to real property, the statement must be filed during the twelve (12) months before ~~June 1~~ **November 1** of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) the source and exact amount of gross income received by the individual and the individual's spouse during the preceding calendar year;
- (2) the description and assessed value of the real property, mobile home, or manufactured home;
- (3) the individual's full name and complete residence address;
- (4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on contract; and
- (5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant

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shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

SECTION 5. IC 6-1.1-12-12, AS AMENDED BY P.L.183-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 12. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the application must be filed during the twelve (12) months before ~~June 1~~ **November 1** of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

- (1) the records of a county office of family and children, the division of family resources, or the division of disability and rehabilitative services; or
- (2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home.

SECTION 6. IC 6-1.1-12-15, AS AMENDED BY P.L.183-2007, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 15. (a) Except as provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 13 or section 14 of this chapter must file a statement with the auditor of the county in which the individual resides. With respect to real property, the statement must be

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filed during the twelve (12) months before ~~June 1~~ **November 1** of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

- (1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;
- (2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or
- (3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

SECTION 7. IC 6-1.1-12-17, AS AMENDED BY P.L.183-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 17. Except as provided in section 17.8 of this chapter, a surviving spouse who desires to claim the deduction provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be filed during the twelve (12) months before ~~June 1~~ **November 1** of each year for which the surviving spouse wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the

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statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

- (1) a sworn statement that the surviving spouse is entitled to the deduction; and
- (2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that the individual is to pay property taxes on the real property.

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

SECTION 8. IC 6-1.1-12-17.5, AS AMENDED BY P.L.183-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 17.5. (a) Except as provided in section 17.8 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must file the statement during the twelve (12) months before ~~June 1~~ **November 1** of each year for which the veteran wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) a description and the assessed value of the real property, mobile home, or manufactured home;
- (2) the veteran's full name and complete residence address;
- (3) the record number and page where the contract or

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memorandum of the contract is recorded, if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home; and (4) any additional information which the department of local government finance may require.

SECTION 9. IC 6-1.1-12-17.8, AS AMENDED BY P.L.95-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 17.8. (a) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who remains eligible for the deduction in the following year is not required to file a statement to apply for the deduction in the following year.

(b) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who becomes ineligible for the deduction in the following year shall notify the auditor of the county in which the real property, mobile home, or manufactured home for which the individual claims the deduction is located of the individual's ineligibility before ~~June 1~~ **November 1** of the year in which the individual becomes ineligible.

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter to each individual who received the deduction in the preceding year unless the auditor determines that the individual is no longer eligible for the deduction.

(d) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the deduction in the following year is not required to file a statement to reapply for the deduction following the removal of the joint owner if:

- (1) the individual is the sole owner of the property following the death of the individual's spouse;
- (2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or
- (3) the individual is awarded sole ownership of the property in a divorce decree.

(e) A trust entitled to a deduction under section 9, 11, 13, 14, 16, or 17.4 of this chapter for real property owned by the trust and occupied by an individual in accordance with section 17.9 of this chapter is not required to file a statement to apply for the deduction, if:

- (1) the individual who occupies the real property receives a deduction provided under section 9, 11, 13, 14, 16, or 17.4 of this

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chapter in a particular year; and

(2) the trust remains eligible for the deduction in the following year.

SECTION 10. IC 6-1.1-12-20, AS AMENDED BY P.L.154-2006, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 20. (a) A property owner who desires to obtain the deduction provided by section 18 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the rehabilitated property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b), the application must be filed before ~~June 1~~ **November 1** of the year in which the addition to assessed value is made.

(b) If notice of the addition to assessed value for any year is not given to the property owner before ~~May 1~~ **October 1** of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor.

(c) The application required by this section shall contain the following information:

- (1) a description of the property for which a deduction is claimed in sufficient detail to afford identification;
- (2) statements of the ownership of the property;
- (3) the assessed value of the improvements on the property before rehabilitation;
- (4) the number of dwelling units on the property;
- (5) the number of dwelling units rehabilitated;
- (6) the increase in assessed value resulting from the rehabilitation; and
- (7) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the increase in assessed value occurs and for the immediately following four (4) years without any additional application being filed.

(e) On verification of an application by the assessor of the township in which the property is located, the county auditor shall make the deduction.

SECTION 11. IC 6-1.1-12-24, AS AMENDED BY P.L.154-2006, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 24. (a) A property owner who desires to obtain the deduction provided by section 22 of this

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chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b), the application must be filed before ~~June 1~~ **November 1** of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation for any year is not given to the property owner before ~~May 1~~ **October 1** of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor.

(c) The application required by this section shall contain the following information:

- (1) the name of the property owner;
- (2) a description of the property for which a deduction is claimed in sufficient detail to afford identification;
- (3) the assessed value of the improvements on the property before rehabilitation;
- (4) the increase in the assessed value of improvements resulting from the rehabilitation; and
- (5) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the addition to assessed value is made and in the immediate following four (4) years without any additional application being filed.

(e) On verification of the correctness of an application by the assessor of the township in which the property is located, the county auditor shall make the deduction.

SECTION 12.IC 6-1.1-12-27.1, AS AMENDED BY P.L.183-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 27.1. Except as provided in section 36 **or 44** of this chapter, a person who desires to claim the deduction provided by section 26 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the twelve (12) months before ~~June 1~~ **November 1** of each year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to

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obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 13. IC 6-1.1-12-30, AS AMENDED BY P.L.183-2007, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 30. Except as provided in section 36 **or 44** of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the twelve (12) months before ~~June 11~~ **November 1** of each year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 14. IC 6-1.1-12-35.5, AS AMENDED BY P.L.183-2007, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 35.5. (a) Except as provided in section 36 **or 44** of this chapter, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must file the statement during the twelve (12) months before June 11 of the assessment year **with respect to the deduction provided under section 31 or 34.5 of this chapter, and before November 1 of the assessment year with respect to the deduction provided under section 33 or 34 of this chapter.** The person must file the statement in each year for which the person desires to obtain the deduction. With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must

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be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, the county auditor shall allow the deduction.

(b) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 31, 33, or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. If the department of environmental management receives an application for certification before ~~May 11~~ **October 1** of the assessment year, the department shall determine whether the system or device qualifies for a deduction before ~~June 11~~ **November 1** of the assessment year. If the department fails to make a determination under this subsection before ~~June 11~~ **November 1** of the assessment year, the system or device is considered certified.

(d) A denial of a deduction claimed under section 31, 33, 34, or 34.5 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor county property tax assessment board of appeals, or department of local government finance.

(e) A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) during the twelve (12) months before June 11 of that year. A person who obtains a filing extension under IC 6-1.1-3-7(b) for an assessment year must file the application between March 1 and the extended due date for that year.

(f) This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 21-47-4-1, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for

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certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter before May 11 of an assessment year:

- (1) the center shall determine whether the building qualifies for a deduction before June 11 of the assessment year; and
- (2) if the center fails to make a determination before June 11 of the assessment year, the building is considered certified.

SECTION 15. IC 6-1.1-12-38, AS AMENDED BY P.L.154-2006, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 38. (a) A person is entitled to a deduction from the assessed value of the person's property in an amount equal to the difference between:

- (1) the assessed value of the person's property, including the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11; minus
- (2) the assessed value of the person's property, excluding the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11.

(b) To obtain the deduction under this section, a person must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is subject to assessment. In addition to the certified statement, the person must file a certification by the state chemist listing the improvements that were made to comply with the fertilizer storage rules adopted under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11. The statement and certification must be filed before ~~June 11~~ **November 1** of the year preceding the year the deduction will first be applied. Upon the verification of the statement and certification by the assessor of the township in which the property is subject to assessment, the county auditor shall allow the deduction.

SECTION 16. IC 6-1.1-12-44 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 44. (a) A sales disclosure form under IC 6-1.1-5.5:**

- (1) that is submitted on or before November 1 of a calendar year to the county assessor by or on behalf of the purchaser of a homestead assessed as real property;**

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- (2) that is accurate and complete;
- (3) that is stamped by the county assessor as eligible for filing with the county auditor; and
- (4) that is filed with the county auditor by or on behalf of the purchaser;

constitutes an application for the deductions provided by sections 26, 29, 33, and 34 of this chapter with respect to property taxes first due and payable in the calendar year that immediately succeeds the calendar year referred to in subdivision (1). A sales disclosure form submitted after November 1 of a calendar year constitutes an application for the deductions provided by sections 26, 29, 33, and 34 of this chapter with respect to property taxes first due and payable in the calendar year that succeeds by two (2) years the calendar year referred to in subdivision (1).

(b) Except as provided in subsection (c), if:

- (1) the county auditor receives in a calendar year a sales disclosure form that meets the requirements of subsection (a); and
- (2) the homestead for which the sales disclosure form is submitted is otherwise eligible for a deduction referred to in subsection (a);

the county auditor shall apply the deduction to the homestead for property taxes first due and payable in the calendar year for which the homestead qualifies under subsection (a) and in any later year in which the homestead remains eligible for the deduction.

(c) Subsection (b) does not apply if the county auditor, after receiving a sales disclosure form from or on behalf of a purchaser under subsection (a)(4), determines that the homestead is ineligible for the deduction.

SECTION 17. IC 6-1.1-12-45 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 45. A person complies with a law that requires the person to own property or be purchasing property in order to be eligible for a deduction granted under this chapter for a particular assessment date only if the person owns or is purchasing the property on November 1 in the year:**

- (1) containing the assessment date, if the property is assessed as real property; or
- (2) immediately preceding the year containing the assessment date, if the property is assessed as personal property."

Page 3, line 15, delete "either or both" and insert "**any or a**

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combination".

Page 3, between lines 23 and 24, begin a new line block indented and insert:

"(3) Deductions that result from the granting of applications for deductions for the calendar year under IC 6-1.1-12-44 after the county auditor certifies assessed value as described in this section.

Not later than December 31 of each year, the county auditor shall send a certified statement, under the seal of the board of county commissioners, to the fiscal officer of each political subdivision of the county and to the department of local government finance. The certified statement must list any adjustments to the amount of the reduction under this subsection and the information submitted under section 1 of this chapter that are necessary as the result of processing homestead credit applications and deduction applications that are filed after June 10 and before November 1 of the year."

Page 4, line 5, strike "who".

Page 4, line 7, delete "is liable for".

Page 4, line 7, after "for" strike "the".

Page 4, line 8, strike "property taxes on".

Page 4, line 8, after "the" delete "a".

Page 4, line 8, strike "homestead".

Page 4, line 9, strike "which the individual pays" and insert **"that are imposed"**.

Page 4, line 10, delete "." and insert **"whenever the property is the individual's homestead on November 1 in the year containing the assessment date, if the property is assessed as real property, or on November 1 in the year immediately preceding the year containing the assessment date, if the property is assessed as personal property."**

Page 5, line 6, delete "January 15 of the immediately" and insert **"November 15 of that"**.

Page 5, line 7, delete "succeeding".

Page 5, line 34, delete "December 31" and insert **"November 1"**.

Page 6, line 30, delete "during" and insert **"on or before November 1 of"**.

Page 6, line 31, after "by" insert **"or on behalf of"**.

Page 6, line 36, after "by" insert **"or on behalf of"**.

Page 6, line 39, delete "December 31" and insert **"November 1"**.

Page 6, line 42, delete "chapter." and insert **"chapter with respect to property taxes first due and payable in the calendar year that**

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immediately succeeds the calendar year referred to in subdivision (1). A sales disclosure form submitted after November 1 of a calendar year constitutes an application for the credit provided by section 2 of this chapter with respect to property taxes first due and payable in the calendar year that succeeds by two (2) years the calendar year referred to in subdivision (1).".

Page 7, line 10, delete "immediately succeeding".

Page 7, line 10, after "calendar year" insert "**for which the homestead qualifies under subsection (a)**".

Page 7, line 13, delete "submits" and insert "**submits, or has submitted on the purchaser's behalf,**".

Page 7, line 16, delete "December 31" and insert "**November 1**".

Page 7, line 20, delete "December 31." and insert "**November 1.**".

Page 7, line 25, after "from" insert "**or on behalf of**".

Page 8, between lines 26 and 27, begin a new paragraph and insert:
 "SECTION 23. IC 6-1.1-21-4, AS AMENDED BY P.L.234-2007, SECTION 297, AND AS AMENDED BY P.L.219-2007, SECTION 62, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Each year the department shall allocate from the property tax replacement fund an amount equal to the sum of:

- (1) each county's total eligible property tax replacement amount for that year; plus
- (2) the total amount of homestead tax credits that are provided under IC 6-1.1-20.9 and allowed by each county for that year; plus
- (3) an amount for each county that has one (1) or more taxing districts that contain all or part of an economic development district that meets the requirements of section 5.5 of this chapter. This amount is the sum of the amounts determined under the following STEPS for all taxing districts in the county that contain all or part of an economic development district:

STEP ONE: Determine that part of the sum of the amounts under section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable to the taxing district.

STEP TWO: Divide:

- (A) that part of the subdivision (1) amount that is attributable to the taxing district; by
- (B) the STEP ONE sum.

STEP THREE: Multiply:

- (A) the STEP TWO quotient; times
- (B) the taxes levied in the taxing district that are allocated to

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a special fund under IC 6-1.1-39-5.

(b) Except as provided in subsection (e), between March 1 and August 31 of each year, the department shall distribute to each county treasurer from the property tax replacement fund one-half (1/2) of the estimated distribution for that year for the county. Between September 1 and December 15 of that year, the department shall distribute to each county treasurer from the property tax replacement fund the remaining one-half (1/2) of each estimated distribution for that year. The amount of the distribution for each of these periods shall be according to a schedule determined by the property tax replacement fund board under section 10 of this chapter. The estimated distribution for each county may be adjusted from time to time by the department to reflect any changes in the total county tax levy upon which the estimated distribution is based.

(c) On or before December 31 of each year or as soon thereafter as possible, the department shall make a final determination of the amount which should be distributed from the property tax replacement fund to each county for that calendar year. This determination shall be known as the final determination of distribution. The department shall distribute to the county treasurer or, *except as provided in section 9 of this chapter*, receive back from the county treasurer any deficit or excess, as the case may be, between the sum of the distributions made for that calendar year based on the estimated distribution and the final determination of distribution. The final determination of distribution shall be based on the auditor's abstract filed with the auditor of state, adjusted for postabstract adjustments included in the December settlement sheet for the year, and such additional information as the department may require.

(d) All distributions provided for in this section shall be made on warrants issued by the auditor of state drawn on the treasurer of state. If the amounts allocated by the department from the property tax replacement fund exceed in the aggregate the balance of money in the fund, then the amount of the deficiency shall be transferred from the state general fund to the property tax replacement fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the payment of that amount. However, any amount transferred under this section from the general fund to the property tax replacement fund shall, as soon as funds are available in the property tax replacement fund, be retransferred from the property tax replacement fund to the state general fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the replacement of that amount.

(e) Except as provided in subsection (g) and subject to subsection

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(h), the department shall not distribute under subsection (b) and section 10 of this chapter a percentage, determined by the department, of the money that would otherwise be distributed to the county under subsection (b) and section 10 of this chapter if:

- (1) **subject to subsection (j)**, by the date the distribution is scheduled to be made, the county auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance;
- (2) by the deadline under IC 36-2-9-20, the county auditor has not transmitted data as required under that section;
- (3) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a);
- (4) the county assessor has not forwarded to the department of local government finance in a timely manner sales disclosure ~~forms~~ *form data* under ~~IC 6-1.1-5-5-3(b)~~; IC 6-1.1-5-5-3(h);
- (5) local assessing officials have not provided information to the department of local government finance in a timely manner under IC 4-10-13-5(b);
- (6) the county auditor has not paid a bill for services under IC 6-1.1-4-31.5 to the department of local government finance in a timely manner;
- (7) the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b);
- (8) the county has not established a parcel index numbering system under 50 IAC 12-15-1 in a timely manner; or
- (9) a township or county official has not provided other information to the department of local government finance in a timely manner as required by the department.

(f) Except as provided in subsection (i), money not distributed for the reasons stated in subsection (e) shall be distributed to the county when the department of local government finance determines that the failure to:

- (1) provide information; or
- (2) pay a bill for services;

has been corrected.

(g) The restrictions on distributions under subsection (e) do not

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apply if the department of local government finance determines that the failure to:

- (1) provide information; or
- (2) pay a bill for services;

in a timely manner is justified by unusual circumstances.

(h) The department shall give the county auditor at least thirty (30) days notice in writing before withholding a distribution under subsection (e).

(i) Money not distributed for the reason stated in subsection (e)(6) may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money deposited under this subsection is not subject to distribution under subsection (f).

(j) The county auditor is considered to have complied with the requirement of subsection (e)(1) regardless of whether the information included in the certified statement required to be sent by the county auditor under IC 6-1.1-17-1 changes after the deadline for sending the statement as a result of credit and deduction applications filed under IC 6-1.1-20.9-3.5 and IC 6-1.1-12-44."

Page 9, line 23, after "equal" insert "to".

Page 10, between lines 16 and 17, begin a new paragraph and insert:

"Sec. 13. The amount of a credit claimed under this chapter may not exceed a taxpayer's state tax liability. A taxpayer is not entitled to a carryback, carryover, or refund of an unused credit."

Page 10, line 17, delete "13" and insert "14".

Page 10, line 20, delete "14" and insert "15".

Page 18, line 2, after "(RETROACTIVE)]" insert "IC 6-1.1-12-2, IC 6-1.1-12-4, IC 6-1.1-12-10.1, IC 6-1.1-12-12, IC 6-1.1-12-15, IC 6-1.1-12-17, IC 6-1.1-12-17.5, IC 6-1.1-12-17.8, IC 6-1.1-12-20, IC 6-1.1-12-24, IC 6-1.1-12-27.1, IC 6-1.1-12-30, IC 6-1.1-12-35.5, IC 6-1.1-12-38,".

Page 18, line 4, delete "IC 6-1.1-20.9-3.5," and insert "IC 6-1.1-20.9-3.5, IC 6-1.1-12-44, and IC 6-1.1-12-45, all".

Page 18, between lines 5 and 6, begin a new paragraph and insert:

"SECTION 29. [EFFECTIVE UPON PASSAGE] (a) Before July 1, 2008, the department of local government finance shall prescribe a sales disclosure form under IC 6-1.1-5.5-5, as amended by this act, that reflects the requirements of this act.

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(b) This SECTION expires July 1, 2008."

Renumber all SECTIONS consecutively.

(Reference is to HB 1293 as printed January 25, 2008.)

GIAQUINTA

SENATE MOTION

Madam President: I move that Senator Lanane be added as cosponsor of Engrossed House Bill 1293.

BRODEN

SENATE MOTION

Madam President: I move that Senator Bray be added as cosponsor of Engrossed House Bill 1293.

BRODEN

SENATE MOTION

Madam President: I move that Senator Bray be removed as cosponsor of Engrossed House Bill 1293.

BRAY

SENATE MOTION

Madam President: I move that Senator Broden be removed as sponsor and Senator Bray be substituted as sponsor of Engrossed House Bill 1293.

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SENATE MOTION

Madam President: I move that Senator Broden be added as second sponsor of Engrossed House Bill 1293.

BRAY

 COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1293, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-5.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. As used in this chapter, "conveyance" means any transfer of a real property interest for valuable consideration. ~~except a transfer to a charity.~~

SECTION 2. IC 6-1.1-5.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. **(a)** As used in this chapter, "conveyance document" means any **of the following:**

(1) Any of the following that purports to transfer a real property interest for valuable consideration:

- (A)** A document.
- (B)** A deed.
- (C)** A contract of sale.
- (D)** An agreement
- (E)** A judgment.
- (F)** A lease that includes the fee simple estate and is for a period in excess of ninety (90) years.
- (G)** A quitclaim deed serving as a source of title. ~~or other~~
- (H)** Another document presented for recording.

~~that purports to transfer a real property interest for valuable consideration.~~

(2) Documents for compulsory transactions as a result of foreclosure or express threat of foreclosure, divorce, court order, condemnation, or probate.

(3) Documents involving the partition of land between tenants in common, joint tenants, or tenants by the entirety.

(b) The term does not include the following:

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(1) Security interest documents such as mortgages and trust deeds.

(2) Leases that are for a term of less than ninety (90) years.

~~(3) Documents for compulsory transactions as a result of foreclosure or express threat of foreclosure; divorce; court order; condemnation; or probate.~~

~~(4) Documents involving the partition of land between tenants in common; joint tenants; or tenants by the entirety.~~

~~(5)~~ (3) Agreements and other documents for mergers, consolidations, and incorporations involving solely nonlisted stock.

~~(6)~~ (4) Quitclaim deeds not serving as a source of title.

SECTION 3. IC 6-1.1-5.5-3, AS AMENDED BY P.L.219-2007, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) For purposes of this section, "party" includes:

(1) a seller of property that is exempt under the seller's ownership; or

(2) a purchaser of property that is exempt under the purchaser's ownership;

from property taxes under IC 6-1.1-10.

(b) **Subject to subsection (g)**, before filing a conveyance document with the county auditor under IC 6-1.1-5-4, all the parties to the conveyance must do the following:

(1) Complete and sign a sales disclosure form as prescribed by the department of local government finance under section 5 of this chapter. All the parties may sign one (1) form, or if all the parties do not agree on the information to be included on the completed form, each party may sign and file a separate form. **For conveyance transactions involving more than two (2) parties, one (1) transferor and one (1) transferee signing the sales disclosure form is sufficient.**

(2) Before filing a sales disclosure form with the county auditor, submit the sales disclosure form to the county assessor. The county assessor must review the accuracy and completeness of each sales disclosure form submitted immediately upon receipt of the form and, if the form is accurate and complete, stamp, **or otherwise approve** the form as eligible for filing with the county auditor and return the form to the appropriate party for filing with the county auditor. If multiple forms are filed in a short period, the county assessor shall process the forms as quickly as possible. For purposes of this subdivision, a sales disclosure form is

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considered to be accurate and complete if:

(A) the county assessor does not have substantial evidence when the form is reviewed under this subdivision that information in the form is inaccurate; and

(B) ~~the form~~ **both of the following conditions are satisfied:**

(i) ~~substantially conforms to the sales disclosure form prescribed by the department of local government finance under section 5~~ **The form contains the information required by section 5(a)(1) through 5(a)(16) of this chapter as that section applies to the conveyance transaction, subject to the obligation of a party to furnish or correct that information in the manner required by and subject to the penalty provisions of section 12 of this chapter. The form may not be rejected for failure to contain information other than that required by section 5(a)(1) through 5(a)(16) of this chapter. and**

(ii) **The form** is submitted to the county assessor in a format usable to the county assessor.

(3) File the sales disclosure form with the county auditor.

(c) Except as provided in subsection (d), the auditor shall **review each sales disclosure form and process any homestead credit and deduction for which the form serves as an application under IC 6-1.1-12-44 and IC 6-1.1-20.9-3.5. The auditor shall** forward each sales disclosure form to the county assessor. **The county assessor shall verify the assessed valuation of the property for the assessment date to which the application applies and transmit that assessed valuation to the auditor.** The county assessor shall retain the forms for five (5) years. The county assessor shall forward the sales disclosure form data to the department of local government finance and the legislative services agency in an electronic format specified jointly by the department of local government finance and the legislative services agency. The county assessor shall forward a copy of the sales disclosure forms to the township assessors in the county. The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(d) In a county containing a consolidated city, the auditor **shall review each sales disclosure form and process any homestead credit and deduction for which the form serves as an application**

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under IC 6-1.1-12-44 and IC 6-1.1-20.9-3.5. The auditor shall forward the sales disclosure form to the appropriate township assessor. **The township assessor shall verify the assessed valuation of the property for the assessment date to which the application applies and transmit that assessed valuation to the auditor.** The township assessor shall forward the sales disclosure form to the department of local government finance and the legislative services agency in an electronic format specified jointly by the department of local government finance and the legislative services agency. The forms may be used by the county assessing officials, **the county auditor**, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(e) If a sales disclosure form includes the telephone number or Social Security number of a party, the telephone number or Social Security number is confidential.

(f) County assessing officials, **county auditors**, and other local officials may not establish procedures or requirements concerning sales disclosure forms that substantially differ from the procedures and requirements of this chapter.

(g) A separate sales disclosure form is required for each parcel conveyed, regardless of whether more than one (1) parcel is conveyed under a single conveyance document.

SECTION 4. IC 6-1.1-5.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) **Except as provided in subsection (b),** a person filing a sales disclosure form under this chapter shall pay a fee of ~~five~~ **ten** dollars (~~\$5~~) (**\$10**) to the county auditor.

(b) No fee is due and payable under subsection (a) if the conveyance to which the sales disclosure form filing applies is either or both of the following:

(1) To a charity.

(2) Under a conveyance document described in section 2(a)(2) or 2(a)(3) of this chapter.

~~(b) Eighty~~ **(c) Fifty** percent (~~80%~~) (**50%**) of the revenue collected under this section and section 12 of this chapter shall be deposited in the county sales disclosure fund established under section 4.5 of this chapter. ~~Twenty~~ **Fifty** percent (~~20%~~) (**50%**) of the revenue shall be transferred to the state treasurer for deposit in the state assessment training fund established under section 4.7 of this chapter.

SECTION 5. IC 6-1.1-5.5-5, AS AMENDED BY P.L.154-2006,



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SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) The department of local government finance shall prescribe a sales disclosure form for use under this chapter. The form prescribed by the department of local government finance must include at least the following information:

- (1) The key number **(as defined in IC 6-1.1-1-8.5)** of the parcel ~~(as defined in IC 6-1.1-1-8.5).~~ **subject to the conveyance.**
- (2) Whether the entire parcel is being conveyed.
- (3) The address of the ~~property.~~ **parcel if the parcel is improved.**
- (4) The date of the execution of the form.
- (5) The date the property was transferred.
- (6) Whether the transfer includes an interest in land or improvements, or both.
- (7) Whether the transfer includes personal property.
- (8) An estimate of **the value of** any personal property included in the transfer.
- (9) The name, address, and telephone number of:
 - (A) each transferor and transferee; and
 - (B) the person that prepared the form.
- (10) The mailing address to which the property tax bills or other official correspondence should be sent.
- (11) The ownership interest transferred.
- (12) The classification of the property (as residential, commercial, industrial, agricultural, vacant land, or other).
- (13) The total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal and other services that are incidental to the conveyance.
- (14) The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.
- (15) Any family or business relationship existing between the transferor and the transferee.
- (16) **A legal description of the parcel subject to the conveyance.**
- (17) **Whether the transferee is using the form to claim the following for property taxes first due and payable in a calendar year after 2008:**
 - (A) **One (1) or more deductions under IC 6-1.1-12-44.**
 - (B) **The homestead credit under IC 6-1.1-20.9-3.5.**

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(18) If the transferee uses the form to claim the homestead credit under IC 6-1.1-20.9-3.5, the name of any other county and township in which the transferee of residential real property owns or is buying residential real property.

(19) Other information as required by the department of local government finance to carry out this chapter.

If a form under this section includes the telephone number or the Social Security number of a party, the telephone number or the Social Security number is confidential.

(b) The instructions for completing the form described in subsection (a) must include the information described in IC 6-1.1-12-43(c)(1).

SECTION 6. IC 6-1.1-5.5-6, AS AMENDED BY P.L.154-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) The county auditor may not accept a conveyance document if:

(1) the sales disclosure form signed by all the parties and attested as required under section 9 of this chapter is not included with the document; or

(2) the sales disclosure form does not contain the information ~~described in section 5(a)~~ **required by section 5(a)(1) through 5(a)(16)** of this chapter **as that section applies to the conveyance, subject to the obligation of a party to furnish or correct the information in the manner required by and subject to the penalty provisions of section 12 of this chapter.**

(b) The county recorder shall not record a conveyance document without evidence that the parties have filed **with the county auditor** a ~~completed~~ sales disclosure form ~~with the county auditor~~ **approved by the county assessor as eligible for filing under section 3(b)(2) of this chapter.**

SECTION 7. IC 6-1.1-5.5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) A person who knowingly and intentionally:

(1) falsifies the value of transferred real property; or

(2) omits or falsifies any information required to be provided in the sales disclosure form;

commits a ~~Class A misdemeanor~~ **Class C felony**.

(b) A public official who knowingly and intentionally accepts:

(1) a sales disclosure document for filing that:

(A) falsifies the value of transferred real property; or

(B) omits or falsifies any information required to be provided in the sales disclosure form; or

(2) a conveyance document for recording in violation of section

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6 of this chapter;
commits a Class A infraction.

SECTION 8. IC 6-1.1-5.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12. (a) A party to a conveyance who:

(1) ~~is required to file either:~~

(A) files a sales disclosure form ~~under that does not contain all of the information required by~~ this chapter; or

(B) files a sales disclosure form that contains inaccurate information;

and receives from the township assessor (in a county containing a consolidated city) or the county assessor (in any other county) written notice of the problems described in clause (A) or (B); and

(2) fails to file a correct sales disclosure form at the time and in the manner required by this chapter; that fully complies with all requirements of this chapter within thirty (30) days after the date of the notice under subdivision (1);

is subject to a penalty in the amount determined under subsection (b).

(b) The amount of the penalty under subsection (a) is the greater of:

(1) one hundred dollars (\$100); or

(2) twenty-five thousandths percent (0.025%) of the sale price of the real property transferred under the conveyance document.

(c) The township assessor in a county containing a consolidated city, or the county assessor in any other county, shall:

(1) determine the penalty imposed under this section;

(2) assess the penalty to the party to a conveyance; and

(3) notify the party to the conveyance that the penalty is payable not later than thirty (30) days after notice of the assessment.

(d) The county auditor shall:

(1) collect the penalty imposed under this section;

(2) deposit penalty collections as required under section 4 of this chapter; and

(3) notify the county prosecuting attorney of delinquent payments.

(e) The county prosecuting attorney shall initiate an action to recover a delinquent penalty under this section. In a successful action against a person for a delinquent penalty, the court shall award the county prosecuting attorney reasonable attorney's fees.

SECTION 9. IC 6-1.1-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 1. (a) Each year a person who is a resident of this state may receive a deduction from the assessed value of:

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(1) mortgaged real property, an installment loan financed mobile home that is not assessed as real property, or an installment loan financed manufactured home that is not assessed as real property that he owns; or

(2) real property, a mobile home that is not assessed as real property, or a manufactured home that is not assessed as real property that he is buying under a contract, with the contract or a memorandum of the contract recorded in the county recorder's office, which provides that he is to pay the property taxes on the real property, mobile home, or manufactured home.

(b) Except as provided in section 40.5 of this chapter, the total amount of the deduction which the person may receive under this section for a particular year is:

(1) the balance of the mortgage or contract indebtedness on the assessment date of that year;

(2) one-half (1/2) of the assessed value of the real property, mobile home, or manufactured home; or

(3) three thousand dollars (\$3,000);

whichever is least.

(c) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract which provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

(d) The person must:

(1) own the real property, mobile home, or manufactured home; or

(2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under section 2 of this chapter.

SECTION 10. IC 6-1.1-12-2, AS AMENDED BY P.L.183-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008] [(RETROACTIVE)]: Sec. 2. (a) Except as provided in section 17.8 of this chapter **and subject to section 45 of this chapter**, a person who desires to claim the deduction provided by section 1 of this chapter must file a statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property the statement must be

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filed during the ~~twelve (12) months before June 11 of each year~~ for which the person wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. In addition to the statement required by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property. Upon receipt of the statement and the recorded contract or recorded memorandum of the contract, the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the contract.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury, and the statement must contain the following information:

- (1) The balance of the person's mortgage or contract indebtedness on the assessment date of the year for which the deduction is claimed.
- (2) The assessed value of the real property, mobile home, or manufactured home.
- (3) The full name and complete residence address of the person and of the mortgagee or contract seller.
- (4) The name and residence of any assignee or bona fide owner or holder of the mortgage or contract, if known, and if not known, the person shall state that fact.
- (5) The record number and page where the mortgage, contract, or memorandum of the contract is recorded.
- (6) A brief description of the real property, mobile home, or manufactured home which is encumbered by the mortgage or sold under the contract.
- (7) If the person is not the sole legal or equitable owner of the real property, mobile home, or manufactured home, the exact share of the person's interest in it.
- (8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(c) The authority for signing a deduction application filed under this

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section may not be delegated by the real property, mobile home, or manufactured home owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, contract, or memorandum of the contract, or in a separate instrument.

SECTION 11. IC 6-1.1-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 3. An individual ~~who is a resident of this state on the assessment date of any year~~ may claim the deduction provided by section 1 of this chapter for ~~that the assessment date in a year~~ in the manner prescribed in section 4 of this chapter if during the filing period prescribed in section 2 of this chapter ~~he~~ **that applies to the assessment date the individual** was:

- (1) a member of the United States armed forces; and
- (2) away from the county of his residence as a result of military service.

SECTION 12. IC 6-1.1-12-4, AS AMENDED BY P.L.154-2006, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 4. (a) An individual who satisfies the requirements of section 3 of this chapter may file a claim for a deduction, or deductions, provided by section 1 of this chapter during the ~~twelve (12) months before June 11 of the year~~ following the year in which the individual is discharged from military service. The individual shall file the claim, on the forms prescribed for claiming a deduction under section 2 of this chapter, with the auditor of the county in which the real property is located. The claim shall specify the particular year, or years, for which the deduction is claimed. The individual shall attach to the claim an affidavit which states the facts concerning the individual's absence as a member of the United States armed forces.

(b) The county property tax assessment board of appeals shall examine the individual's claim and shall determine the amount of deduction, or deductions, the individual is entitled to and the year, or years, for which deductions are due. Based on the board's determination, the county auditor shall calculate the excess taxes paid by the individual and shall refund the excess to the individual from funds not otherwise appropriated. The county auditor shall issue, and the county treasurer shall pay, a warrant for the amount, if any, to which the individual is entitled.

SECTION 13. IC 6-1.1-12-9, AS AMENDED BY P.L.219-2007, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 9. (a) An individual may

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obtain a deduction from the assessed value of the individual's real property, or mobile home or manufactured home which is not assessed as real property, if:

(1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:

(A) the individual and the individual's spouse; or

(B) the individual and all other individuals with whom:

(i) the individual shares ownership; or

(ii) the individual is purchasing the property under a contract;

as joint tenants or tenants in common;

for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars (\$25,000);

(3) the individual has owned the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; or the individual has been buying the real property, mobile home, or manufactured home under a contract that provides that the individual is to pay the property taxes on the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;

(4) the individual and any individuals covered by subdivision (2)(B) reside on the real property, mobile home, or manufactured home;

(5) the assessed value of the real property, mobile home, or manufactured home does not exceed one hundred eighty-two thousand four hundred thirty dollars (\$182,430); ~~and~~

(6) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 1, 37, and 38 of this chapter; **and**

(7) the person:

(1) owns the real property, mobile home, or manufactured home; or

(2) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 10.1 of this chapter is filed.

(b) Except as provided in subsection (h), in the case of real property,

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an individual's deduction under this section equals the lesser of:

- (1) one-half (1/2) of the assessed value of the real property; or
- (2) twelve thousand four hundred eighty dollars (\$12,480).

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

- (1) one-half (1/2) of the assessed value of the mobile home or manufactured home; or
- (2) twelve thousand four hundred eighty dollars (\$12,480).

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the real property, mobile home, or manufactured home while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

- (1) tenants by the entirety;
- (2) joint tenants; or
- (3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement is satisfied if any one (1) of the tenants is at least sixty-five (65) years of age.

(f) A surviving spouse is entitled to the deduction provided by this section if:

- (1) the surviving spouse is at least sixty (60) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;
- (2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;
- (3) the surviving spouse has not remarried; and
- (4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through ~~(a)(6)~~: **(a)(7)**.

(g) An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under this section against that real property.

(h) In the case of tenants covered by subsection (a)(2)(B), if all of the tenants are not at least sixty-five (65) years of age, the deduction allowed under this section shall be reduced by an amount equal to the deduction multiplied by a fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five (65) years of age, and

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the denominator is the total number of tenants.

SECTION 14. IC 6-1.1-12-10.1, AS AMENDED BY P.L.183-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 10.1. (a) Except as provided in ~~section 7.8~~ **section 17.8** of this chapter **and subject to section 45 of this chapter**, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is located. With respect to real property, the statement must be filed during the ~~twelve (12) months before June 11 of each~~ **twelve (12) months before June 11 of each** year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) the source and exact amount of gross income received by the individual and the individual's spouse during the preceding calendar year;
- (2) the description and assessed value of the real property, mobile home, or manufactured home;
- (3) the individual's full name and complete residence address;
- (4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on contract; and
- (5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction

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statement.

SECTION 15. IC 6-1.1-12-11, AS AMENDED BY P.L.99-2007, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 11. (a) Except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual owns, or that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

- (1) the individual is blind or the individual has a disability;
- (2) the real property, mobile home, or manufactured home is principally used and occupied by the individual as the individual's residence; ~~and~~
- (3) the individual's taxable gross income for the calendar year preceding the year in which the deduction is claimed did not exceed seventeen thousand dollars (\$17,000); **and**

(4) the individual:

- (1) owns the real property, mobile home, or manufactured home; or**
- (2) is buying the real property, mobile home, or manufactured home under contract;**

on the date the statement required by section 12 of this chapter is filed.

(b) For purposes of this section, taxable gross income does not include income which is not taxed under the federal income tax laws.

(c) For purposes of this section, "blind" has the same meaning as the definition contained in IC 12-7-2-21(1).

(d) For purposes of this section, "individual with a disability" means a person unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which:

- (1) can be expected to result in death; or
- (2) has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

(e) An individual with a disability filing a claim under this section shall submit proof of disability in such form and manner as the department shall by rule prescribe. Proof that a claimant is eligible to receive disability benefits under the federal Social Security Act (42 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of

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this section.

(f) An individual with a disability not covered under the federal Social Security Act shall be examined by a physician and the individual's status as an individual with a disability determined by using the same standards as used by the Social Security Administration. The costs of this examination shall be borne by the claimant.

(g) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 16. IC 6-1.1-12-12, AS AMENDED BY P.L.183-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 12. (a) Except as provided in section 17.8 of this chapter **and subject to section 45 of this chapter**, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the application must be filed during the ~~twelve (12) months before June 11~~ of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

- (1) the records of a county office of family and children, the division of family resources, or the division of disability and rehabilitative services; or
- (2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual

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is to pay property taxes on the real property, mobile home, or manufactured home.

SECTION 17. IC 6-1.1-12-13, AS AMENDED BY P.L.99-2007, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 13. (a) Except as provided in section 40.5 of this chapter, an individual may have twenty-four thousand nine hundred sixty dollars (\$24,960) deducted from the assessed value of the taxable tangible property that the individual owns, or real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office and if:

- (1) the individual served in the military or naval forces of the United States during any of its wars;
- (2) the individual received an honorable discharge;
- (3) the individual has a disability with a service connected disability of ten percent (10%) or more; ~~and~~
- (4) the individual's disability is evidenced by:
 - (A) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs; or
 - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; **and**

(5) the individual:

- (1) owns the real property, mobile home, or manufactured home; or**
- (2) is buying the real property, mobile home, or manufactured home under contract;**

on the date the statement required by section 15 of this chapter is filed.

(b) The surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) One who receives the deduction provided by this section may not receive the deduction provided by section 16 of this chapter. However, the individual may receive any other property tax deduction which the individual is entitled to by law.

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(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 18. IC 6-1.1-12-14, AS AMENDED BY P.L.219-2007, SECTION 26, AND AS AMENDED BY P.L.99-2007, SECTION 24, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of the tangible property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office) if:

- (1) the individual served in the military or naval forces of the United States for at least ninety (90) days;
 - (2) the individual received an honorable discharge;
 - (3) the individual either:
 - (A) ~~is totally disabled;~~ has a total disability; or
 - (B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%); ~~and~~
 - (4) the individual's disability is evidenced by:
 - (A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or
 - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; **and**
 - (5) the individual:**
 - (1) owns the real property, mobile home, or manufactured home; or**
 - (2) is buying the real property, mobile home, or manufactured home under contract;**
- on the date the statement required by section 15 of this**

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chapter is filed.

(b) Except as provided in subsection (c), the surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) No one is entitled to the deduction provided by this section if the assessed value of the individual's tangible property, as shown by the tax duplicate, exceeds one hundred ~~thirteen~~ *forty-three* thousand one hundred sixty dollars ~~(\$113,000)~~ *(\$143,160)*.

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 19. IC 6-1.1-12-15, AS AMENDED BY P.L.183-2007, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 15. (a) Except as provided in section 17.8 of this chapter **and subject to section 45 of this chapter**, an individual who desires to claim the deduction provided by section 13 or section 14 of this chapter must file a statement with the auditor of the county in which the individual resides. With respect to real property, the statement must be filed during the ~~twelve (12) months before June 11 of each~~ year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

- (1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;
- (2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or
- (3) the appropriate certificate of eligibility issued to the individual

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by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

SECTION 20. IC 6-1.1-12-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:

Sec. 16. (a) Except as provided in section 40.5 of this chapter, a surviving spouse may have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed value of his or her tangible property, or real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the surviving spouse is buying under a contract that provides that he is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

(1) the deceased spouse served in the military or naval forces of the United States before November 12, 1918; ~~and~~

(2) the deceased spouse received an honorable discharge; **and**

(3) the surviving spouse:

(1) owns the real property, mobile home, or manufactured home; or

(2) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 17 of this chapter is filed.

(b) A surviving spouse who receives the deduction provided by this section may not receive the deduction provided by section 13 of this chapter. However, he or she may receive any other deduction which he or she is entitled to by law.

(c) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or

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manufactured home.

SECTION 21. IC 6-1.1-12-17, AS AMENDED BY P.L.183-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 17. Except as provided in section 17.8 of this chapter **and subject to section 45 of this chapter**, a surviving spouse who desires to claim the deduction provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be filed during the ~~twelve~~ **(12) months before June 11 of each** year for which the surviving spouse wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

- (1) a sworn statement that the surviving spouse is entitled to the deduction; and
- (2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that the individual is to pay property taxes on the real property.

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

SECTION 22. IC 6-1.1-12-17.4, AS AMENDED BY P.L.219-2007, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 17.4. (a) Except as provided in section 40.5 of this chapter, a World War I veteran who is a resident of Indiana is entitled to have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed valuation of the real property (including a mobile home that is assessed as real property), mobile home that is not assessed as real property, or manufactured home that is not assessed as real property the veteran owns or is buying under a contract that requires the veteran to pay property taxes on the real property, if the contract or a memorandum of the contract is recorded in the county recorder's office, if:

- (1) the real property, mobile home, or manufactured home is the veteran's principal residence;

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(2) the assessed valuation of the real property, mobile home, or manufactured home does not exceed two hundred six thousand five hundred dollars (\$206,500); ~~and~~

(3) the veteran owns the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; **and**

(4) the veteran:

(1) owns the real property, mobile home, or manufactured home; or

(2) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 17.5 of this chapter is filed.

(b) An individual may not be denied the deduction provided by this section because the individual is absent from the individual's principal residence while in a nursing home or hospital.

(c) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by a husband and wife as tenants by the entirety, only one (1) deduction may be allowed under this section. However, the deduction provided in this section applies if either spouse satisfies the requirements prescribed in subsection (a).

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

SECTION 23. IC 6-1.1-12-17.5, AS AMENDED BY P.L.183-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 17.5. (a) Except as provided in section 17.8 of this chapter **and subject to section 45 of this chapter**, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must file the statement during the ~~twelve (12) months before June 11 of each~~ year for which the veteran wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before

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March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) a description and the assessed value of the real property, mobile home, or manufactured home;
- (2) the veteran's full name and complete residence address;
- (3) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home; and
- (4) any additional information which the department of local government finance may require.

SECTION 24. IC 6-1.1-12-17.8, AS AMENDED BY P.L.95-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 17.8. (a) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who remains eligible for the deduction in the following year is not required to file a statement to apply for the deduction in the following year.

(b) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who becomes ineligible for the deduction in the following year shall notify the auditor of the county in which the real property, mobile home, or manufactured home for which the individual claims the deduction is located of the individual's ineligibility ~~before June 11 of~~ in the year in which the individual becomes ineligible.

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter to each individual who received the deduction in the preceding year unless the auditor determines that the individual is no longer eligible for the deduction.

(d) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the deduction in the following year is not required to file a statement to reapply for the deduction following the removal of the joint owner if:

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- (1) the individual is the sole owner of the property following the death of the individual's spouse;
- (2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or
- (3) the individual is awarded sole ownership of the property in a divorce decree.

(e) A trust entitled to a deduction under section 9, 11, 13, 14, 16, or 17.4 of this chapter for real property owned by the trust and occupied by an individual in accordance with section 17.9 of this chapter is not required to file a statement to apply for the deduction, if:

- (1) the individual who occupies the real property receives a deduction provided under section 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year; and
- (2) the trust remains eligible for the deduction in the following year.

SECTION 25. IC 6-1.1-12-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
Sec. 18. (a) If the assessed value of residential real property described in subsection (d) is increased because it has been rehabilitated, the owner may have deducted from the assessed value of the property an amount not to exceed the lesser of:

- (1) the total increase in assessed value resulting from the rehabilitation; or
- (2) eighteen thousand seven hundred twenty dollars (\$18,720) per rehabilitated dwelling unit.

The owner is entitled to this deduction annually for a five (5) year period.

(b) For purposes of this section, the term "rehabilitation" means significant repairs, replacements, or improvements to an existing structure which are intended to increase the livability, utility, safety, or value of the property under rules adopted by the department of local government finance.

(c) For the purposes of this section, the term "owner" or "property owner" includes any person who has the legal obligation, or has otherwise assumed the obligation, to pay the real property taxes on the rehabilitated property.

(d) The deduction provided by this section applies only:

- (1) for the rehabilitation of residential real property which is located within this state and which is described in one (1) of the following classifications:

- (†) (A) A single family dwelling if before rehabilitation the assessed value (excluding any exemptions or deductions) of

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the improvements does not exceed thirty-seven thousand four hundred forty dollars (\$37,440).

~~(2)~~ **(B)** A two (2) family dwelling if before rehabilitation the assessed value (excluding exemptions or deductions) of the improvements does not exceed forty-nine thousand nine hundred twenty dollars (\$49,920). ~~and~~

~~(3)~~ **(C)** A dwelling with more than two (2) family units if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed eighteen thousand seven hundred twenty dollars (\$18,720) per dwelling unit; **and**

(2) if the property owner:

(A) owns the residential real property; or

(B) is buying the residential real property under contract; on the assessment date of the year in which an application must be filed under section 20 of this chapter.

SECTION 26. IC 6-1.1-12-20, AS AMENDED BY P.L.154-2006, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 20. (a) A property owner who desires to obtain the deduction provided by section 18 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the rehabilitated property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b) **and subject to section 45 of this chapter**, the application must be filed ~~before June 11~~ **of in** the year in which the addition to assessed value is made.

(b) If notice of the addition to assessed value for any year is not given to the property owner before ~~May 11~~ **December 1** of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor.

(c) The application required by this section shall contain the following information:

- (1) a description of the property for which a deduction is claimed in sufficient detail to afford identification;
- (2) statements of the ownership of the property;
- (3) the assessed value of the improvements on the property before rehabilitation;
- (4) the number of dwelling units on the property;
- (5) the number of dwelling units rehabilitated;

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(6) the increase in assessed value resulting from the rehabilitation; and

(7) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the increase in assessed value occurs and for the immediately following four (4) years without any additional application being filed.

(e) On verification of an application by the assessor of the township in which the property is located, the county auditor shall make the deduction.

SECTION 27. IC 6-1.1-12-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 22. (a) If the assessed value of property is increased because it has been rehabilitated and the owner has paid at least ten thousand dollars (\$10,000) for the rehabilitation, the owner is entitled to have deducted from the assessed value of the property an amount equal to fifty percent (50%) of the increase in assessed value resulting from the rehabilitation. The owner is entitled to this deduction annually for a five (5) year period. However, the maximum deduction which a property owner may receive under this section for a particular year is:

- (1) one hundred twenty-four thousand eight hundred dollars (\$124,800) for a single family dwelling unit; or
- (2) three hundred thousand dollars (\$300,000) for any other type of property.

(b) For purposes of this section, the term "property" means a building or structure which was erected at least fifty (50) years before the date of application for the deduction provided by this section. The term "property" does not include land.

(c) For purposes of this section, the term "rehabilitation" means significant repairs, replacements, or improvements to an existing structure that are intended to increase the livability, utility, safety, or value of the property under rules adopted by the department of local government finance.

(d) The deduction provided by this section applies only if the property owner:

- (1) owns the property; or**
- (2) is buying the property under contract;**

on the assessment date of the year in which an application must be filed under section 24 of this chapter.

SECTION 28. IC 6-1.1-12-24, AS AMENDED BY P.L.154-2006, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 24. (a) A property owner

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who desires to obtain the deduction provided by section 22 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b) **and subject to section 45 of this chapter**, the application must be filed ~~before June 11 of~~ in the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation for any year is not given to the property owner before ~~May 11~~ **December 31** of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor.

(c) The application required by this section shall contain the following information:

- (1) the name of the property owner;
- (2) a description of the property for which a deduction is claimed in sufficient detail to afford identification;
- (3) the assessed value of the improvements on the property before rehabilitation;
- (4) the increase in the assessed value of improvements resulting from the rehabilitation; and
- (5) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the addition to assessed value is made and in the immediate following four (4) years without any additional application being filed.

(e) On verification of the correctness of an application by the assessor of the township in which the property is located, the county auditor shall make the deduction.

SECTION 29. IC 6-1.1-12-27.1, AS AMENDED BY P.L.183-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 27.1. Except as provided in ~~section 36~~ **sections 36 and 44** of this chapter **and subject to section 45 of this chapter**, a person who desires to claim the deduction provided by section 26 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the ~~twelve (12) months before June 11 of each~~ year for which the person desires to obtain the

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deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. **The person must:**

(1) own the real property, mobile home, or manufactured home; or

(2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 30. IC 6-1.1-12-30, AS AMENDED BY P.L.183-2007, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 30. Except as provided in section 36 of this chapter **and subject to section 45 of this chapter**, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the ~~twelve (12) months before June 1~~ of each year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. **The person must:**

(1) own the real property, mobile home, or manufactured home; or

(2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 31. IC 6-1.1-12-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 31. (a) For purposes of this section, "coal conversion system" means tangible property directly used to convert coal into a gaseous or liquid fuel or char. This definition includes coal liquification,

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gasification, pyrolysis, and a fluid bed combustion system designed for pollution control.

(b) For each calendar year which begins after December 31, 1979, and before January 1, 1988, the owner of a coal conversion system which is used to process coal is entitled to a deduction from the assessed value of the system. The amount of the deduction for a particular calendar year equals the product of (1) ninety-five percent (95%) of the assessed value of the system, multiplied by (2) a fraction. The numerator of the fraction is the amount of Indiana coal converted by the system during the immediately preceding calendar year and the denominator of the fraction is the total amount of coal converted by the system during the immediately preceding calendar year.

(c) The deduction provided by this section applies only if the property owner:

(1) owns the property; or

(2) is buying the property under contract;

on the assessment date for which the deduction applies.

SECTION 32. IC 6-1.1-12-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
Sec. 33. (a) For purposes of this section "hydroelectric power device" means a device which is installed after December 31, 1981, and is designed to utilize the kinetic power of moving water to provide mechanical energy or to produce electricity.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a hydroelectric power device is annually entitled to a property tax deduction. The amount of the deduction equals the remainder of: (1) the assessed value of the real property or mobile home with the hydroelectric power device; minus (2) the assessed value of the real property or mobile home without the hydroelectric power device.

(c) The deduction provided by this section applies only if the property owner:

(1) owns the real property or mobile home; or

(2) is buying the real property or mobile home under contract;

on the date the statement is filed under section 35.5 of this chapter.

SECTION 33. IC 6-1.1-12-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
Sec. 34. (a) For purposes of this section, "geothermal energy heating or cooling device" means a device that is installed after December 31, 1981, and is designed to utilize the natural heat from the earth to provide hot water, produce electricity, or generate heating or cooling.

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(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a geothermal energy heating or cooling device is annually entitled to a property tax deduction. The amount of the deduction equals the remainder of: (1) the assessed value of the real property or mobile home with the geothermal heating or cooling device; minus (2) the assessed value of the real property or mobile home without the geothermal heating or cooling device.

(c) The deduction provided by this section applies only if the property owner:

(1) owns the real property or mobile home; or

(2) is buying the real property or mobile home under contract;

on the date the statement is filed under section 35.5 of this chapter.

SECTION 34. IC 6-1.1-12-34.5, AS ADDED BY P.L.214-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 34.5. (a) As used in this section, "coal combustion product" has the meaning set forth in IC 6-1.1-44-1.

(b) As used in this section, "qualified building" means a building designed and constructed to systematically use qualified materials throughout the building.

(c) For purposes of this section, building materials are "qualified materials" if at least sixty percent (60%) of the materials' dry weight consists of coal combustion products.

(d) The owner of a qualified building, as determined by the center for coal technology research, is entitled to a property tax deduction for not more than three (3) years. The amount of the deduction equals the product of:

(1) the assessed value of the qualified building; multiplied by

(2) five percent (5%).

(e) The deduction provided by this section applies only if the building owner:

(1) owns the building; or

(2) is buying the building under contract;

on the assessment date for which the deduction applies.

SECTION 35. IC 6-1.1-12-35.5, AS AMENDED BY P.L.183-2007, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 35.5. (a) Except as provided in section 36 or 44 of this chapter **and subject to section 45 of this chapter**, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local

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government finance, and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must file the statement during the ~~twelve (12) months before June 11 of the assessment year~~ **for which the person wishes to obtain the deduction**. The person must file the statement in each year for which the person desires to obtain the deduction. With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, the county auditor shall allow the deduction.

(b) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 31, 33, or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. If the department of environmental management receives an application for certification, ~~before May 11 of the assessment year~~, the department shall determine whether the system or device qualifies for a deduction. ~~before June 11 of the assessment year~~. If the department fails to make a determination under this subsection ~~before June 11 of the assessment~~ **December 31 of the year in which the application is received**, the system or device is considered certified.

(d) A denial of a deduction claimed under section 31, 33, 34, or 34.5 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor county property tax assessment board of appeals, or department of local government finance.

(e) A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not

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assessed under IC 6-1.1-7 must file the statement described in subsection (a) during the ~~twelve (12) months before June 11 of that year~~ **A person who obtains a filing extension under IC 6-1.1-3-7(b) for an assessment year must file the application between March 1 and the extended due date for that year. in which the personal property return is filed.**

(f) This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 21-47-4-1, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter: ~~before May 11 of an assessment year:~~

- (1) the center shall determine whether the building qualifies for a deduction; ~~before June 11 of the assessment year;~~ and
- (2) if the center fails to make a determination before ~~June 11~~ **December 31** of the ~~assessment year in which the application is received,~~ the building is considered certified.

SECTION 36. IC 6-1.1-12-38, AS AMENDED BY P.L.154-2006, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 38. (a) A person is entitled to a deduction from the assessed value of the person's property in an amount equal to the difference between:

- (1) the assessed value of the person's property, including the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11; minus
- (2) the assessed value of the person's property, excluding the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11.

(b) To obtain the deduction under this section, a person must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is subject to assessment. In addition to the certified statement, the person must file a certification by the state chemist listing the

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improvements that were made to comply with the fertilizer storage rules adopted under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11. **Subject to section 45 of this chapter**, the statement and certification must be filed ~~before June 11~~ **or during** the year preceding the year the deduction will first be applied. Upon the verification of the statement and certification by the assessor of the township in which the property is subject to assessment, the county auditor shall allow the deduction.

(c) The deduction provided by this section applies only if the person:

- (1) owns the property; or**
- (2) is buying the property under contract;**

on the assessment date for which the deduction applies.

SECTION 37. IC 6-1.1-12-44 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 44. (a) A sales disclosure form under IC 6-1.1-5.5:**

(1) that is submitted:

- (A) as a paper form; or**
- (B) electronically;**

on or before December 31 of a calendar year to the county assessor by or on behalf of the purchaser of a homestead (as defined in IC 6-1.1-20.9-1) assessed as real property;

(2) that is accurate and complete;

(3) that is approved by the county assessor as eligible for filing with the county auditor; and

(4) that is filed:

- (A) as a paper form; or**
- (B) electronically;**

with the county auditor by or on behalf of the purchaser; constitutes an application for the deductions provided by sections 26, 29, 33, and 34 of this chapter with respect to property taxes first due and payable in the calendar year that immediately succeeds the calendar year referred to in subdivision (1).

(b) Except as provided in subsection (c), if:

(1) the county auditor receives in a calendar year a sales disclosure form that meets the requirements of subsection (a); and

(2) the homestead for which the sales disclosure form is submitted is otherwise eligible for a deduction referred to in subsection (a);

the county auditor shall apply the deduction to the homestead for

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property taxes first due and payable in the calendar year for which the homestead qualifies under subsection (a) and in any later year in which the homestead remains eligible for the deduction.

(c) Subsection (b) does not apply if the county auditor, after receiving a sales disclosure form from or on behalf of a purchaser under subsection (a)(4), determines that the homestead is ineligible for the deduction.

SECTION 38. IC 6-1.1-12-45 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 45. (a)** Subject to subsections (b) and (c), a deduction under this chapter applies for an assessment date and for the property taxes due and payable based on the assessment for that assessment date, regardless of whether with respect to the real property or mobile home or manufactured home not assessed as real property:

(1) the title is conveyed one (1) or more times; or

(2) one (1) or more contracts to purchase are entered into; after that assessment date and on or before the next succeeding assessment date.

(b) Subsection (a) applies:

(1) only if the title holder or the contract buyer on that next succeeding assessment date is eligible for the deduction for that next succeeding assessment date; and

(2) regardless of whether:

(A) one (1) or more grantees of title under subsection (a)(1); or

(B) one (1) or more contract purchasers under subsection (a)(2);

files a statement under this chapter to claim the deduction.

(c) A deduction applies under subsection (a) for only one (1) year. The requirements of this chapter for filing a statement to apply for a deduction under this chapter apply to subsequent years.

(d) If:

(1) a statement is filed under this chapter in a calendar year to claim a deduction under this chapter with respect to real property; and

(2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in that calendar year and for the property taxes due and payable based on the assessment for that assessment date.

(e) If:

(1) a statement is filed under this chapter in a twelve (12)

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month filing period designated under this chapter to claim a deduction under this chapter with respect to a mobile home or a manufactured home not assessed as real property; and
 (2) the eligibility criteria for the deduction are met;
 the deduction applies for the assessment date in that twelve (12) month period and for the property taxes due and payable based on the assessment for that assessment date."

Delete pages 2 through 14.

Page 15, delete lines 1 through 21.

Page 16, line 27, delete "June 10 and before November 1 of" and insert **"the county auditor certifies assessed value as described in this section."**

Page 16, line 28, delete "the year."

Page 17, delete lines 6 through 42, begin a new paragraph and insert:

"SECTION 40. IC 6-1.1-20.9-2, AS AMENDED BY P.L.224-2007, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 2. (a) Except as otherwise provided in section 5 of this chapter, an individual who ~~on March 1 of~~ in a particular year either owns or is buying a homestead under a contract that provides the individual is to pay the property taxes on the homestead is entitled each calendar year to a credit against the property taxes which the individual pays on the individual's homestead. However, only one (1) individual may receive a credit under this chapter for a particular homestead in a particular year. **With respect to real property or a mobile home or a manufactured home that is not assessed as real property, the individual must:**

- (1) own the real property, mobile home, or manufactured home; or
- (2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under section 3 or 3.5 of this chapter.

(b) The amount of the credit to which the individual is entitled equals the product of:

- (1) the percentage prescribed in subsection (d); multiplied by
- (2) the amount of the individual's property tax liability, as that term is defined in IC 6-1.1-21-5, which is:
 - (A) attributable to the homestead during the particular calendar year; and
 - (B) determined after the application of the property tax replacement credit under IC 6-1.1-21.

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(c) For purposes of determining that part of an individual's property tax liability that is attributable to the individual's homestead, all deductions from assessed valuation which the individual claims under IC 6-1.1-12 or IC 6-1.1-12.1 for property on which the individual's homestead is located must be applied first against the assessed value of the individual's homestead before those deductions are applied against any other property.

(d) The percentage of the credit referred to in subsection (b)(1) is as follows:

YEAR	PERCENTAGE OF THE CREDIT
1996	8%
1997	6%
1998 through 2002	10%
2003 through 2005	20%
2006	28%
2007 and thereafter	20%

However, the percentage credit allowed in a particular county for a particular year shall be increased if on January 1 of a year an ordinance adopted by a county income tax council was in effect in the county which increased the homestead credit. The amount of the increase equals the amount designated in the ordinance.

(e) Before October 1 of each year, the **county** assessor shall furnish to the county auditor the amount of the assessed valuation of each homestead for which a homestead credit has been properly filed under **section 3 or 3.5** of this chapter. **The county assessor shall update the information not later than December 31 of that year.**

(f) The county auditor shall apply the credit equally to each installment of taxes that the individual pays for the property.

(g) Notwithstanding the provisions of this chapter, a taxpayer other than an individual is entitled to the credit provided by this chapter if:

- (1) an individual uses the residence as the individual's principal place of residence;
- (2) the residence is located in Indiana;
- (3) the individual has a beneficial interest in the taxpayer;
- (4) the taxpayer either owns the residence or is buying it under a contract, recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence; and
- (5) the residence consists of a single-family dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

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SECTION 41. IC 6-1.1-20.9-3, AS AMENDED BY P.L.183-2007, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 3. (a) **Except as provided in section 3.5 of this chapter and subject to section 7 of this chapter**, an individual who desires to claim the credit provided by section 2 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement shall include the parcel number or key number of the real estate and the name of the city, town, or township in which the real estate is located. With respect to real property, the statement must be filed during the ~~twelve (12) months before June 11~~ of the year prior to the first year for which the person wishes to obtain the credit for the homestead. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of the first year for which the individual wishes to obtain the credit. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the credit is allowed.

(b) The certified statement referred to in subsection (a) shall contain the name of any other county and township in which the individual owns or is buying real property.

(c) If an individual who is receiving the credit provided by this chapter changes the use of the individual's real property, so that part or all of that real property no longer qualifies for the homestead credit provided by this chapter, the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use within sixty (60) days after the date of that change. An individual who changes the use of the individual's real property and fails to file the statement required by this subsection is liable for the amount of the credit the individual was allowed under this chapter for that real property.

(d) An individual who receives the credit provided by section 2 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the credit in the following year is not required to file a statement to reapply for the credit following the removal of the joint owner if:

- (1) the individual is the sole owner of the property following the death of the individual's spouse;
- (2) the individual is the sole owner of the property following the

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death of a joint owner who was not the individual's spouse; or
 (3) the individual is awarded sole ownership of property in a divorce decree.

SECTION 42. IC 6-1.1-20.9-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 3.5. (a) A sales disclosure form under IC 6-1.1-5.5:**

(1) that is submitted:

(A) as a paper form; or

(B) electronically;

on or before December 31 of a calendar year to the county assessor by or on behalf of the purchaser of a homestead assessed as real property;

(2) that is accurate and complete;

(3) that is approved by the county assessor as eligible for filing with the county auditor; and

(4) that is filed:

(A) as a paper form; or

(B) electronically;

with the county auditor by or on behalf of the purchaser; constitutes an application for the credit provided by section 2 of this chapter with respect to property taxes first due and payable in the calendar year that immediately succeeds the calendar year referred to in subdivision (1).

(b) Except as provided in subsection (c), if:

(1) the county auditor receives in a calendar year a sales disclosure form that meets the requirements of subsection (a); and

(2) the homestead for which the sales disclosure form is submitted is otherwise eligible for the credit under this chapter;

the county auditor shall apply the credit under this chapter to the homestead for property taxes first due and payable in the calendar year for which the homestead qualifies under subsection (a) and in any later year in which the homestead remains eligible for the credit.

(c) Subsection (b) does not apply if the county auditor, after receiving a sales disclosure form from or on behalf of a purchaser under subsection (a)(4), determines that the homestead is ineligible for the credit under this chapter."

Delete pages 18 through 20.

Page 21, delete lines 1 through 5.

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Page 22, between lines 1 and 2, begin a new paragraph and insert:
 "SECTION 45. IC 6-1.1-20.9-7 IS ADDED TO THE INDIANA
 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 7. (a)**
Subject to subsections (b) and (c), a credit under this chapter
applies for the property taxes due and payable based on the
assessment for an assessment date, regardless of whether with
respect to the real property or mobile home or manufactured home
not assessed as real property:

(1) the title is conveyed one (1) or more times; or
 (2) one (1) or more contracts to purchase are entered into;
 after that assessment date and on or before the next succeeding
 assessment date.

(b) Subsection (a) applies:

(1) only if the title holder or the contract buyer on that next
 succeeding assessment date is eligible for the credit for
 property taxes due and payable based on the assessment for
 that next succeeding assessment date; and

(2) regardless of whether:

(A) one (1) or more grantees of title under subsection
 (a)(1); or

(B) one (1) or more contract purchasers under subsection
 (a)(2);

files a statement under this chapter to claim the credit.

(c) A credit applies under subsection (a) for only one (1) year.
 The requirements of this chapter for filing a statement to apply for
 a credit under this chapter apply to subsequent years.

(d) If a person files a statement in a calendar year to claim a
 credit under this chapter with respect to real property, the credit
 applies for the property taxes due and payable in the immediately
 succeeding calendar year.

(e) If a person files a statement in a twelve (12) month filing
 period designated under this chapter to claim a credit under this
 chapter with respect to a mobile home or a manufactured home not
 assessed as real property, the credit applies to the property taxes
 due and payable in the immediately succeeding twelve (12) month
 period."

Page 24, line 3, strike "IC 6-1.1-5.5-3(h);" and insert "**IC**
6-1.1-5.5-3(c);".

Page 25, delete lines 6 through 42.

Delete pages 26 through 30.

Page 31, delete lines 1 through 21.

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Page 32, line 20, after "9." insert "(a)".

Page 32, line 20, delete "that".

Page 32, line 21, delete "imposes a county option income tax under IC 6-3.5-6".

Page 32, between lines 37 and 38, begin a new paragraph and insert:

"(b) A municipality that adopts a PMA ordinance may provide grants to individuals who receive a PMA certification under this chapter. The amount of a grant provided under this subsection may not exceed the lesser of:

(1) fifty percent (50%) of the qualified expenditures certified in the PMA certification; or

(2) one thousand five hundred dollars (\$1,500)."

Page 34, line 4, delete "state the amount of any state tax credits" and insert **"municipality the amount of any grants"**.

Page 34, line 5, delete "IC 6-3.1-32.5," and insert **"this chapter,"**.

Page 34, delete lines 15 through 33, begin a new paragraph and insert:

"SECTION 49. [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)] IC 6-1.1-12-1, IC 6-1.1-12-2, IC 6-1.1-12-3, IC 6-1.1-12-4, IC 6-1.1-12-9, IC 6-1.1-12-10.1, IC 6-1.1-12-11, IC 6-1.1-12-12, IC 6-1.1-12-13, IC 6-1.1-12-14, IC 6-1.1-12-15, IC 6-1.1-12-16, IC 6-1.1-12-17, IC 6-1.1-12-17.4, IC 6-1.1-12-17.5, IC 6-1.1-12-17.8, IC 6-1.1-12-18, IC 6-1.1-12-20, IC 6-1.1-12-22, IC 6-1.1-12-24, IC 6-1.1-12-27.1, IC 6-1.1-12-30, IC 6-1.1-12-31, IC 6-1.1-12-33, IC 6-1.1-12-34, IC 6-1.1-12-34.5, IC 6-1.1-12-35.5, IC 6-1.1-12-38, IC 6-1.1-17-0.5, IC 6-1.1-20.9-2, IC 6-1.1-20.9-3, IC 6-1.1-20.9-4, and IC 6-1.1-20.9-5, all as amended by this act, and IC 6-1.1-12-44, IC 6-1.1-12-45, IC 6-1.1-20.9-3.5, and IC 6-1.1-20.9-7, all as added by this act, apply only to property taxes first due and payable after 2008.

SECTION 50. [EFFECTIVE JULY 1, 2008] IC 6-1.1-5.5-1, IC 6-1.1-5.5-2, IC 6-1.1-5.5-3, IC 6-1.1-5.5-4, IC 6-1.1-5.5-5, IC 6-1.1-5.5-6, IC 6-1.1-5.5-10, and IC 6-1.1-5.5-12, all as amended by this act, apply only to a conveyance (as defined in IC 6-1.1-5.5-1, as amended by this act) that occurs after June 30, 2008.

SECTION 51. [EFFECTIVE JULY 1, 2008] IC 6-1.1-5.5-10, as amended by this act, applies to crimes committed after June 30, 2008."

Page 36, delete lines 1 through 3.

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Renumber all SECTIONS consecutively.
and when so amended that said bill do pass.

(Reference is to HB 1293 as reprinted January 30, 2008.)

KENLEY, Chairperson

Committee Vote: Yeas 9, Nays 0.

SENATE MOTION

Madam President: I move that Engrossed House Bill 1293 be amended to read as follows:

Page 2, delete lines 22 through 42, begin a new paragraph and insert:

"SECTION 3. IC 6-1.1-5.5-3, AS AMENDED BY P.L.219-2007, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) For purposes of this section, "party" includes:

- (1) a seller of property that is exempt under the seller's ownership;
or
- (2) a purchaser of property that is exempt under the purchaser's ownership;

from property taxes under IC 6-1.1-10.

(b) **Subject to subsections (g) and (h)**, before filing a conveyance document with the county auditor under IC 6-1.1-5-4, all the parties to the conveyance must do the following:

- (1) Complete and sign a sales disclosure form as prescribed by the department of local government finance under section 5 of this chapter. All the parties may sign one (1) form, or if all the parties do not agree on the information to be included on the completed form, each party may sign and file a separate form. **For conveyance transactions involving more than two (2) parties, one (1) transferor and one (1) transferee signing the sales disclosure form is sufficient.**
- (2) Before filing a sales disclosure form with the county auditor, submit the sales disclosure form to the county assessor. The county assessor must review the accuracy and completeness of each sales disclosure form submitted immediately upon receipt of the form and, if the form is accurate and complete, stamp **or otherwise approve** the form as eligible for filing with the county auditor and return the form to the appropriate party for filing with

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the county auditor. If multiple forms are filed in a short period, the county assessor shall process the forms as quickly as possible. For purposes of this subdivision, a sales disclosure form is considered to be accurate and complete if:

(A) the county assessor does not have substantial evidence when the form is reviewed under this subdivision that information in the form is inaccurate; and

(B) ~~the form:~~ **both of the following conditions are satisfied:**

(i) ~~substantially conforms to the sales disclosure form prescribed by the department of local government finance under section 5~~ **The form contains the information required by section 5(a)(1) through 5(a)(16) of this chapter as that section applies to the conveyance transaction, subject to the obligation of a party to furnish or correct that information in the manner required by and subject to the penalty provisions of section 12 of this chapter. The form may not be rejected for failure to contain information other than that required by section 5(a)(1) through 5(a)(16) of this chapter. and**

(ii) **The form** is submitted to the county assessor in a format usable to the county assessor.

(3) File the sales disclosure form with the county auditor.

(c) Except as provided in subsection (d), the auditor shall **review each sales disclosure form and process any homestead credit and deduction for which the form serves as an application under IC 6-1.1-12-44 and IC 6-1.1-20.9-3.5. The auditor shall** forward each sales disclosure form to the county assessor. **The county assessor shall verify the assessed valuation of the property for the assessment date to which the application applies and transmit that assessed valuation to the auditor.** The county assessor shall retain the forms for five (5) years. The county assessor shall forward the sales disclosure form data to the department of local government finance and the legislative services agency in an electronic format specified jointly by the department of local government finance and the legislative services agency. The county assessor shall forward a copy of the sales disclosure forms to the township assessors in the county. The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

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(d) In a county containing a consolidated city, the auditor **shall review each sales disclosure form and process any homestead credit and deduction for which the form serves as an application under IC 6-1.1-12-44 and IC 6-1.1-20.9-3.5. The auditor** shall forward the sales disclosure form to the appropriate township assessor. **The township assessor shall verify the assessed valuation of the property for the assessment date to which the application applies and transmit that assessed valuation to the auditor.** The township assessor shall forward the sales disclosure form to the department of local government finance and the legislative services agency in an electronic format specified jointly by the department of local government finance and the legislative services agency. The forms may be used by the county assessing officials, **the county auditor**, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(e) If a sales disclosure form includes the telephone number or Social Security number of a party, the telephone number or Social Security number is confidential.

(f) County assessing officials, **county auditors**, and other local officials may not establish procedures or requirements concerning sales disclosure forms that substantially differ from the procedures and requirements of this chapter.

(g) **Except as provided in subsection (h), a separate sales disclosure form is required for each parcel conveyed, regardless of whether more than one (1) parcel is conveyed under a single conveyance document.**

(h) **Only one (1) sales disclosure form is required for the conveyance under a single conveyance document of two (2) or more contiguous parcels located entirely within a single taxing district."**

Delete page 3.

Page 4, delete lines 1 through 33.

Page 5, delete lines 9 through 42, begin a new paragraph and insert:

"SECTION 5. IC 6-1.1-5.5-5, AS AMENDED BY P.L.154-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) The department of local government finance shall prescribe a sales disclosure form for use under this chapter. The form prescribed by the department of local government finance must include at least the following information:

(1) The key number **(as defined in IC 6-1.1-1-8.5)** of ~~the~~ each parcel. ~~(as defined in IC 6-1.1-1-8.5).~~

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- (2) **With respect to each parcel**, whether the entire parcel is being conveyed.
- (3) The address of ~~the property~~ **each improved parcel**.
- (4) The date of the execution of the form.
- (5) The date the property was transferred.
- (6) Whether the transfer includes an interest in land or improvements, or both.
- (7) Whether the transfer includes personal property.
- (8) An estimate of **the value of** any personal property included in the transfer.
- (9) The name, address, and telephone number of:
 - (A) each transferor and transferee; and
 - (B) the person that prepared the form.
- (10) The mailing address to which the property tax bills or other official correspondence should be sent.
- (11) The ownership interest transferred.
- (12) The classification of the property (as residential, commercial, industrial, agricultural, vacant land, or other).
- (13) **Subject to subsection (c)**, the total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal and other services that are incidental to the conveyance.
- (14) The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.
- (15) Any family or business relationship existing between the transferor and the transferee.
- (16) **A legal description of each parcel subject to the conveyance.**
- (17) **Whether the transferee is using the form to claim the following for property taxes first due and payable in a calendar year after 2008:**
 - (A) **One (1) or more deductions under IC 6-1.1-12-44.**
 - (B) **The homestead credit under IC 6-1.1-20.9-3.5.**
- (18) **If the transferee uses the form to claim the homestead credit under IC 6-1.1-20.9-3.5, the name of any other county and township in which the transferee of residential real property owns or is buying residential real property.**
- ~~(16)~~ (19) Other information as required by the department of local government finance to carry out this chapter.

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If a form under this section includes the telephone number or the Social Security number of a party, the telephone number or the Social Security number is confidential.

(b) The instructions for completing the form described in subsection (a) must include the information described in IC 6-1.1-12-43(c)(1).

(c) If the conveyance includes more than one (1) parcel as described in section 3(h) of this chapter, the form:

(1) is not required to include the price referred to in subsection (a)(13) for each of the parcels subject to the conveyance; and

(2) may state a single combined price for all of those parcels."

Page 6, delete lines 1 through 20.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1293 as printed February 20, 2008.)

BRAY

SENATE MOTION

Madam President: I move that Engrossed Senate Bill 1293 be amended to read as follows:

Page 49, between lines 7 and 8, begin a new paragraph and insert:

"SECTION 53. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-20.9-1 apply throughout this SECTION.

(b) The department of local government finance shall adopt rules under IC 4-22-2 before January 1, 2009, to establish guidelines to enforce the application of the homestead credit only to an individual's principal place of residence as required by IC 6-1.1-20.9-1(2). The rules must establish the means for the county auditor to ascertain whether:

(1) an individual who claims a homestead credit under IC 6-1.1-20.9:

(A) owns;

(B) is buying under contract; or

(C) has a beneficial interest in a taxpayer that owns or is buying under contract;

a dwelling outside Indiana; and

(2) the dwelling referred to in subdivision (1) is the individual's principal place of residence.



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(c) This SECTION expires January 1, 2009."

Renumber all SECTIONS consecutively.

(Reference is to EHB 1293 as printed February 20, 2008.)

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